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PROVINCE OF SASKATCHEWAN  
ROYAL COMMISSION ON  
AGRICULTURE AND RURAL LIFE



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*14. A Program of Improvement*





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ROYAL COMMISSION ON AGRICULTURE  
AND RURAL LIFE

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REPORT NO. 14

*A Program of Improvement  
for Saskatchewan  
Agriculture and Rural Life*

Submitted to the

GOVERNMENT OF SASKATCHEWAN

1957

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## TERMS OF REFERENCE

Order in Council 2442/52

Regina, Friday, October 31, 1952.

The Executive Council has had under consideration a report from the President of the Council, dated October 31, 1952, stating that by The Public Inquiries Act, being chapter 15 of the Revised Statutes of Saskatchewan, 1940, it is enacted that the Lieutenant Governor in Council, when he deems it expedient to cause inquiry to be made into and concerning any matter within the jurisdiction of the Legislature and connected with the good government of Saskatchewan, or the conduct of the public business thereof, or which is, in his opinion of sufficient public importance, may appoint one or more commissioners to make such inquiry and to report thereon.

The Minister further states that by Section 5 of the said The Public Inquiries Act, it is provided that the Commissioners, if thereunto authorized by the Lieutenant Governor in Council, may engage the services of such accountants, engineers, technical advisers, or other experts, clerks, reporters and assistants as they deem necessary or advisable, and also the services of counsel to aid and assist the commissioners in the inquiry.

The Minister further states that on the 7th day of March, 1952, the following Resolution was submitted on the motion of the Minister to and passed by the Legislative Assembly:

“That this Assembly, recognizing

(a) that in recent years the rapid increase of farm mechanization and the widespread adoption of new agricultural methods have resulted in basic changes in rural life and the farm economy of Saskatchewan, and

(b) that these economic trends are creating new rural social problems as well as adversely affecting the ability of our young people to become established in the agricultural industry, and

(c) that these trends also offer an opportunity for further extending the amenities of rural life,

agrees it is advisable that the Provincial Government should appoint a Royal Commission to investigate and make recommendations regarding the requirements for the maintenance of a sound farm economy and the improvement of social conditions and amenities in rural Saskatchewan, and recommends that such Commission, in its inquiry and recommendations, have particular reference to:

(1) the problems involved in present day trends in agricultural production, land use and farm costs;

(2) the need for farm capital and credit;

(3) the further adaption of social services and educational facilities to meet changing rural conditions; and

(4) the further development of rural transportation, communication and community services.”

Upon consideration of the foregoing report and on the recommendation of the President of the Council, the Executive Council advises that a Commission do issue to William Bernard Baker, Professor; Henry Llewellyn Fowler, Secretary; both of the City of Saskatoon; Joseph Lee Phelps, Farmer, of the Postal District of Wilkie; Charles William Gibbings, Farmer, of the Postal District of Rosetown; Nancy Adams, Housewife, of the Postal District of Ethelton; and Tabaldo Henry Bourassa, Merchant, of the Town of LaFleche; all in the Province of Saskatchewan, of which Commission the said William Bernard Baker shall be Chairman, for the purpose of having an exhaustive study and inquiry made into and concerning and to make recommendations regarding the requirements for the maintenance of a sound farm economy and the improvement of social conditions and amenities in rural Saskatchewan, having particular reference in their inquiry and recommendations to:

(1) the problems involved in present day trends in agricultural production, land use and farm costs;

(2) the need for farm capital and credit;

(3) the further adaption of social services and educational facilities to meet changing rural conditions; and

(4) the further development of rural transportation, communication and community services;

and for these purposes to consult with all organizations and individuals interested and to accept for consideration, articles, submissions or other representations made by or on behalf of interested persons or organizations, and to include in their considerations any questions which they may hold to be relevant.

The Executive Council further advises that in addition to the powers conferred upon commissioners by the said The Public Inquiries Act, the said commissioners be authorized to engage the services of such accountants, engineers, technical advisers, or other experts, clerks, reporters and assistants as they deem necessary or advisable and also the services of counsel to aid and assist the Commissioners in the inquiry.

The Executive Council further advises that the expenditures of the Commissioners for the inquiry and report be limited to the amounts approved by the Legislature for this purpose.

(Signed) J. M. Telford,  
Clerk Executive Council



## LETTER OF TRANSMITTAL

### ROYAL COMMISSION ON AGRICULTURE AND RURAL LIFE

Regina, Saskatchewan,  
April 10, 1957.

The Honourable T. C. Douglas,  
Premier of Saskatchewan.

Dear Sir:

We have the honour to transmit herewith the final report of the Royal Commission on Agriculture and Rural Life. This is the fourteenth report of the Commission pursuant to the Order in Council of His Honour the Lieutenant-Governor in Council dated the 31st day of October, 1952, O.C. 2442/52.

In this report your Commission has provided a summary of the major changes now under way in rural Saskatchewan and of the problems which are associated with those changes. This report also provides an overview of the main policies and programs which the Commission believes will be necessary to ensure an adequate and satisfying agriculture and rural life in the next quarter century. It is in effect a synthesis of all previous studies by the Commission and should therefore become one of the most widely read of all Commission reports.

This report completes the work of your Commission. We wish at this time to express our sincere appreciation of the patience and constant encouragement of the public and the Government during the long and arduous task of the Commission.

Respectfully submitted,

*Nancy Adams*      *W. B. Baker*      *T. H. Bourassa*

Mrs. Nancy Adams

W. B. Baker, Chairman

T. H. Bourassa

*H. L. Fowler*      *Chas. W. Gibbings*      *J. L. Phelps*

H. L. Fowler

Chas. W. Gibbings

J. L. Phelps





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## CHAPTER I

### *Introduction*

This report, the final volume in a series of fourteen published by the Commission, marks the culmination of more than four years' investigation, study, and report preparation. Earlier reports, with the exception of the first, have each dealt with some key aspect of agriculture and rural life.<sup>1</sup> These represent the substance of the Commission's work. In them are identified the forces of economic and social change which have altered the face of the province since the days of settlement. In them as well is detailed the progress achieved by Saskatchewan people and their institutions in adjusting to new conditions. Despite the progress, however, change has left many problems and faulty adjustments in its wake. These problems and the Commission's recommendations for meeting them are set forth in the twelve reports as they affect each key aspect.

In part this report seeks to restore "wholeness" to that which has come before in twelve segments. One of its major purposes is to summarize the changes and the problems and to present an over-view of the policies and programs recommended by the Commission.

Beyond that, this report is in a sense a companion piece to the Commission's first: *The Scope and Character of the Investigation*. In that initial report, the principles of democratic rural improvement which the Commission endeavoured to apply to its task were formulated. Here, they are developed further and applied to the tasks which now face the people of Saskatchewan.

As a preamble to this final report, it is appropriate to review the broad terms of reference which provided the framework for the investigation and to summarize the Commission's approach to its task.

### **The Commission's Interpretation of the Terms of Reference**

Royal Commissions are a part of the tradition of British parliamentary government. From early days they have played a valuable role in government, and both Canada and the Province

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<sup>1</sup> Titles of all reports are listed on the outside back cover.

of Saskatchewan have used the machinery of Royal Commissions extensively.

A Royal Commission is an investigating body with special authority established by Order in Council. Its task is defined by the terms of reference outlined in the Order in Council. Usually the Commissioners appointed exercise considerable freedom in interpreting the scope of their investigation.

The terms of reference of the Royal Commission on Agriculture and Rural Life are reproduced in the preliminary pages of this report. In summary, the Commission was directed to make "an exhaustive study and inquiry . . . into . . . and to make recommendations regarding the requirements for the maintenance of a sound farm economy and the improvement of social conditions and amenities in rural Saskatchewan, having particular reference to:

- 1) the problems involved in present day trends in agricultural production, land use and farm costs;
- 2) the need for farm capital and credit;
- 3) the further adaptation of social services and educational facilities to meet changing rural conditions; and
- 4) the further development of rural transportation, communication and community services."

Within the terms of reference the Commission interpreted its task broadly as follows:

- 1) to search out and organize the fullest possible set of facts relevant to Saskatchewan's complex rural economic and social conditions;
- 2) on the basis of these facts, to establish guides for future rural improvement.

### **The Assembly of Facts**

The first task of the investigation was the assembly of an accurate and, so far as possible, complete set of facts related to Saskatchewan's complex rural economic and social conditions. There were, of course, many kinds of information which would be relevant to the investigation. The Commission identified at the outset two main types. One would be derived from the practical experience of the public. The other would be technical. Both of these types would again be subdivided into three classes: information on the material and non-material aspects of rural living; objective facts; and subjective opinion.

The Commission finally established avenues to five main sources of information. Some were mainly public opinion. Others were predominantly technical. Through all sources, however, ran some threads of both. The five sources of information which the Commission tapped were:

- 1) Groups of people in rural communities (through community forums, briefs, and hearings);
- 2) Groups of people and officials in provincial organizations (through provincial conferences, briefs, and hearings);
- 3) Individuals and key officials in rural communities (through personal interviews and questionnaires);
- 4) Technicians with specialized experience (through consultations);
- 5) General information (through study of relevant published and unpublished material).

The Commission was aware that many fundamental changes had taken place in the short history of the province. The entire environment has been in a continual state of flux, particularly in the post World War II period. Each aspect of the economy has been affected by change in other aspects. Certainly, up-to-date, accurate information would be essential as a basis for understanding the many kinds of change and their interrelationships. Following this improved understanding the guides for rural improvement could then be established.

### **Establishing Guides for Rural Improvement**

The objective of the investigation, of course, was to develop methods for the solution of the problems of the countryside; in short, to improve rural conditions. The Commission viewed any progress in this direction as, simply, "rural improvement," and considered this as synonymous with the terms "rural planning" or "rural development" as used by others.

Essentially, rural improvement is an adjustment in a dynamic situation between the old and the new. Rural improvement is, in fact, in operation in society at all times. It is an attempt to keep some balance between the positive benefits of the present situation and the potential benefits of the future. How do we agree, then, on what are benefits, what is "good" and what methods are to be used for changing and adjusting?

In brief, the Commission's approach to these basically philosophical questions was that rural improvement was change



directed towards *advancing the general welfare of rural — and urban — people*; and that this involves *a careful sharing of responsibility* by individuals, communities, voluntary organizations, and government, with primary emphasis on the individual and the community.

### **The Commission's Approach to Its Task**

These were the criteria, then, which established the Commission's approach to its task. The Commission's specific contribution would be the particular kind of judgment it would apply in establishing the guides. The Commission has striven to keep principles in mind and to search diligently for some unity of viewpoint.

The Commission has at no time made any claim to final wisdom. It believes the value of the investigation will be judged finally, not by the speed with which recommendations are adopted, but rather by the willingness of people—as individuals, in communities, in organizations, in government—to study this analysis of the world in which they live and work, and to seek ways of arriving at democratic decisions for rural improvement based upon better understanding.

In this regard the Commission believes that, in some respects, the present investigation has made a unique contribution. The process of tapping the many types of information described earlier served as a catalyst for public interest and participation. Many groups in the province have since turned their attention to pressing local problems because of their early involvement during the information-gathering stage of the investigation. Communication media have made a noteworthy contribution in this process.

In the remaining chapters of this report the Commission summarizes its interpretation of conditions as they now exist in the province and its proposals for rural improvement. This material must now be fed into the communication channels of the province, both formal and informal. A free flow of information will lead to a careful assessment of ideas, old and new, and from this an informed and tolerant public opinion will grow which will serve Saskatchewan well in the coming years.

### **Plan of This Report**

Chapter II is a review of the economic and social trends in agriculture and rural life in Saskatchewan. Here the major elements of change are described and the many interrelationships between

changing aspects of our economy are pinpointed. How do changes in our basic industry affect our population characteristics and our institutions? What does population movement mean to agriculture and to social services? How does the provision of services affect the way people live and work? This is the type of question which is broadly considered in this chapter.

Chapter III identifies the present problems of the province. Problems are grouped under major headings dealing with the low level of farm income, the instability of farm income, problems of providing adequate services to the rural population, and the need for more information and research. Although gaps exist in this statement of problems, the Commission believes that it forms the fundamental starting point for charting the course of future rural improvement.

Chapter IV then turns attention to the policies and programs required for coping with present problems. The introduction to this chapter describes the Commission's basic approach to solutions and some of the problems it faced in formulating programs for the future. The policies and programs are then presented in two sections: those dealing with economic aspects, and those dealing with public service aspects.

During the course of the investigation many problems emerged which could not be dealt with adequately in the subject-matter reports. These become the concern of Chapter V. Here the Commission sets forth its philosophy of the democratic solution of problems and outlines the need for full understanding of the nature of problems and for full participation at all levels of society. Certain programs are required to permit higher levels of accomplishment in a democratic society. These are outlined in this chapter and thus constitute new material included only in this report. The Commission considers the recommendations included in Chapter V to be fundamental to many of the other recommendations in other reports and to be the only sure guarantee that Saskatchewan people can continue to make consistent progress in building a more secure, more satisfying, and more prosperous future. Many of the other recommendations merely make it possible for us to catch up with history. When implemented, the recommendations in this chapter will permit us to plan wisely for the future.

This report includes one appendix. This is a complete listing of the full range of Commission recommendations. It should prove a valuable reference to this final report.

## Acknowledgments

The Commission wishes to express its gratitude both to those who assisted in developing its approach, and to those who made the approach work.

Dozens of highly qualified people, in Saskatchewan, elsewhere in Canada, and in the United States, contributed from their experience in an earnest effort to aid the Commission to avoid pitfalls and ensure positive results from the investigation. An important debt is acknowledged to the thousands of Saskatchewan citizens who participated in the investigation, both in communities and in organizations, to give advice and guidance to the Commission.

Other groups must be singled out for special recognition. The Commission wishes to recognize the contribution made by the agricultural representatives of the Saskatchewan Department of Agriculture and the fieldmen of the Saskatchewan Wheat Pool in developing and carrying out the program of public involvement through community forums. The special efforts of the Saskatchewan Farmers Union, the Saskatchewan Homemakers' Clubs, the Saskatchewan Women's Co-operative Guilds, and Farm Forums provided an important supplement to community forums. The Commission is also indebted to many technical consultants in government service, universities, and voluntary organizations, who advised the Commission on the many separate aspects of the investigation.

The Commission owes a special debt of gratitude to the men and women who joined its technical secretariat and energetically devoted themselves to carrying through the plan of operation of the Commission. W. M. Harding as Commission Secretary carried his arduous administrative responsibilities with great skill and imagination. In this he was assisted by Miss D. M. Johnston who also carried much responsibility for the final editing of all reports. If the Commission has achieved a high degree of technical competence in its consideration of many complex matters, much of the credit must go to M. Brownstone who directed the research program with patience, perseverance and skill as well as advising the Commission with wisdom and tact. G. C. Mitchell has worked diligently in carrying through the research work on a large number of studies. The reduction of difficult technical subject matter to readable and understandable form is largely a reflection of the journalistic skills of J. F. Kinzel. Mrs. C. V. Reles has rendered excellent service throughout as typist and statistical analyst. H. E. Chapman as Director of the Public Relations Division deserves great commendation for the successful involvement of the public in the initial deliberations of the Commission. While these members of the Secretariat were outstanding in their contribution to all of the



reports, the Commission wishes to acknowledge as well its gratitude to the other members, too numerous to mention, with special reference to those who carried primary research responsibility for one or more of the studies.

Even this brief review of contributions is sufficient to indicate that, while the Commission must assume final responsibility for the reports, the results truly represent the joint efforts of the people of Saskatchewan.

## CHAPTER II

*A Review of the Economic and Social Trends in Saskatchewan Agriculture and Rural Life*

Across the stretches of rural Saskatchewan, sweeping changes have taken place since the days of settlement. Only slightly more than fifty years ago, pioneers began developing a rural society—cultivating virgin land, carving out rough trails, banding together to provide schools. Today, as a result of change and adjustment, Saskatchewan is approaching maturity as an agricultural economy.

In its extensive contacts with the public, the Commission found widespread concern for the many maladjustments associated with a period of rapid and comprehensive change. This was to be expected. People both benefit and suffer as change proceeds around them. How a person fares often determines his or her judgment of a situation. Our focus constantly shifts from one isolated aspect to another depending on whether we are hurt or helped by that particular aspect of change.

It was not surprising, therefore, that the Commission found little attention given to the whole fabric of change itself. The sore spots came constantly to the fore. Few persons, however, had a comprehensive view of the larger picture with its many interrelated aspects in true perspective.

To understand problems one must seek their roots. This chapter, therefore, is devoted to a description of the major aspects of change, and their many interrelationships, identified by the Commission in its series of studies. It attempts to select the many threads of change from all reports and weave these into a pattern which illuminates the problems and points the way towards the future.

Three types of change are described in this chapter: changes in agriculture; changes in population; and changes in the institutions of rural Saskatchewan. These do not by any means describe all of the changes which have taken place. The description is limited to those aspects which received primary attention in the Commission's investigation.

It should also be made clear that the chapter attempts to describe change alone. It does not attempt to identify the emerging

problems (detailed in Chapter III), or to pinpoint policies and programs which may now be required (these are dealt with in Chapter IV). Nor does this chapter give due attention to the progress which has been made in our economy. In so far as it deals with adjustment as an aspect of change, it is, presumably, a description of progress and accomplishment. The focus, however, is on changes themselves rather than on the significant accomplishments of Saskatchewan people in adjusting to and compensating for these changes.

The emphasis on a description of the changing conditions of agriculture and rural life may give the reader the impression of a society in chaos. This would be far from the truth. True, mechanization and commercialization of agriculture have transformed farming methods and drastically changed man's relationship to the land. The movement of people away from the farms to urban centers has intensified the difficulties of providing services for the decreased rural population remaining on the farms, in an age when new services and expanded services are expected and demanded. But throughout the fifty years of Saskatchewan's history, during which, in retrospect, conditions may appear chaotic, a significant type of stability is also apparent. This comes from the desire and ability of people to grapple intelligently with their problems. There has been a faith in, and loyalty to, institutions which has enabled Saskatchewan people to make social decisions and develop meaningful programs for progress. Although there have been many things lacking in this process, the motivations of the people who settled this province, and their effective use of new and old democratic institutions, have provided useful stability in a difficult adjustment period.

## Changes in Saskatchewan Agriculture

In the brief span of fifty years, Saskatchewan agriculture has been transformed from a pioneer, near-subsistence activity to a highly mechanized and commercialized industry.

This progress has been born of the suffering of people and their determination to achieve a standard of living related to their labour and the product of their labour. It is a story of struggle with difficult conditions.

Four underlying conditions have impeded agriculture in every stage of its development:

- 1) A natural environment with many built-in limitations to physical production — a semi-arid climate with recurring drought, hail, and flooding; weeds, insect pests, and plant diseases;



2) A settlement policy which established a rigid pattern of many small individual farms quite unrelated to the economic and social needs of farm families;

3) A geographical location separated by great distances from markets and from supplies of manufactured goods; and

4) A price and marketing system which has not provided producers of agricultural products with stable and equitable incomes.

These factors have operated at every stage of agricultural development to create many imperfections in the present organization of the industry and to present the economy today with many unsolved problems. The progress which has been made and the experience which has been gained, however, hold promise for significant future progress.

### **The Farmer's Adjustment to Land Resources**

Settlement policy was designed to establish farm families on quarter-section or half-section farms. The objective was a relatively heavy settlement of owner-operated farms. In 1901 there was some indication that this objective was being realized; 61 per cent of the farms were under 200 acres in size. The experience of farmers on this size of farm, however, was unsatisfactory. The farmer found he required more land, and as early as 1921 expansion of farm size became evident. There were many more farms by this time but the percentage of farms under 200 acres had dropped from 61 to 32.5 per cent.

In the drive for higher farm income, farm size has materially increased. The average size of Saskatchewan farms nearly doubled in the 40 years from 1911 to 1951. Both occupied acreage and number of farms increased from 1911 to 1936: occupied acreage doubled; number of farms increased by 50 per cent. This permitted an average increase in farm size of 25 per cent. From 1936 to 1951, the number of farms declined by over 20 per cent, while occupied acreage increased only slightly. The average size of farm in 1911 was 296 acres; in 1951, 551 acres; and in 1956 slightly over 600 acres.

In this long-run adjustment the rate of expansion of farms has been slowed down by economic recession and accelerated by recovery and boom conditions. During the depression period 1931-1936, for example, the average number of *improved* acres per farm actually declined from 246 to 236. During the prosperous years 1946-1951, however, average farm size increased rapidly from 283 to 346 improved acres.

Unfortunately, farmers have not shared equally in this redistribution of land resources. By 1951, following a 15-year period of extensive redistribution, over one-half of Saskatchewan farms were still 320 acres or less in size.<sup>1</sup> Expressing the 1951 situation in terms of investment in land and buildings, the provincial average was \$10,560, but more than 60 per cent of the farms had less than this amount. Twenty-six per cent had less than \$4,950. At the other end of the scale, investment in land and buildings on 7.4 per cent of farms exceeded \$24,950.

Tremendous changes in farm size have been made, particularly in the post World War II period. However, many small farms remain and these constitute the long-run adjustment problem in Saskatchewan agriculture.

### The Mechanization of Saskatchewan Farms

Mechanization has been the means which has facilitated the farm size increases described above. The dramatic change in the settlement pattern would not have been possible without power machinery.

The changeover to tractor farming in Saskatchewan actually began at the time of settlement, but it became significant only in the late 1920's. After a 15-year postponement because of depression, drought, and war, farmers began to invest heavily in machinery in 1945. An almost complete changeover to tractor farming took place in a little less than ten years. Other machines were adopted more slowly but are now becoming standard equipment on a majority of farms.

Machinery capital represents a growing share of total farm capital investment. Using a base of 100 for the year 1926, by 1951 capital investment in land and buildings had remained fairly constant at 114 while capital investment in machinery and equipment had risen to an index of 309. In 1951, the total value of equipment and machinery on Saskatchewan farms was well over \$500 million—an average of \$4,693 per farm.

The increase in investment in farm machinery has been responsible for increases in farm costs. Operating costs are becoming both higher and more inflexible. This has increased the instability of many farms. While large farms can take full advantage of the lower *per unit costs* associated with mechanization, the small farms in the province cannot cope with the higher *total costs*.

<sup>1</sup> In general, farm size increase has not come about by amalgamation of quarter and half section farms. Instead these smaller farms have been absorbed by farms over one section in size.

As a result of mechanization and the attendant change to larger farms, resources per farmer or per agricultural worker have increased. Area of occupied farm land per worker increased from 211 acres in 1911 to 468 acres in 1951. Number of tractors for each 100 workers increased from 11 in 1921 to 72 in 1951.

The increase in resources per worker has resulted in an increase in productivity per worker, both in physical amount and in dollars. Production per worker increased from approximately 1,600 bushels in 1911 to over 2,400 bushels in 1952—an increase of 50 per cent. Saskatchewan agriculture is featured by higher productivity per acre than all other provinces except Alberta. This is clearly related to both total and machinery investment. Mechanization has enabled Saskatchewan farmers to overcome in part the disadvantages of low and uncertain yields.

Mechanization has not reduced per acre yields. A reduction might be expected because of the more extensive farming encouraged by mechanization. Its positive effects, however, are the permitting of more timely and more diverse operations, and the beneficial effects of new tillage methods on soil and moisture conservation.

Type of farming has changed since the recent rapid trend to mechanization. Livestock numbers, although high, are now concentrated on fewer farms. Less than one per cent of Saskatchewan farms have sufficient cattle or hogs to earn a reasonable living from livestock alone. This is undoubtedly related to the lag in development of mechanized means to aid livestock production. Full mechanization of livestock production today is only possible and practical with large herds and is largely dependent on electrification.

The potential impact of central station electric power as a source of energy on the farm is just now beginning to be felt in Saskatchewan. As recently as 1951 only 9 per cent of the province's resident farms were connected to high line power. By the end of 1956 this proportion had increased to nearly 50 per cent. The Saskatchewan Power Corporation now serves approximately 40,000 farm customers.

Most of these users, however, are not yet reaping the full benefits of this versatile power source in their farm work. Acquiring the necessary appliances and equipment is an expensive and—for most—a slow process. Major advances in mechanizing those aspects of production adaptable to electric power can now be anticipated in many areas of the province.

The mechanization of Saskatchewan farms is a dramatic story which is still unfolding. Already it has made possible many



changes in the organization of the industry and has improved its efficiency. The second wave of technological advance—involving larger tractors, larger equipment, and electrification—is now under way.

### Changes in the Tenure Pattern

Mechanization and increased farm size have been parallel changes in the structure of agriculture. To a large extent, mechanization permitted farm size increase; farm size increase was necessary to provide effective use of mechanized equipment.

The essential difficulty created for the farmer by these twin changes has been the need for added capital for effective adjustment. Capital was required for both machinery purchase and the acquisition of land. In most instances farmers have had to make a choice between these forms of investment. As there were few, if any, alternatives to the purchase of machinery, farmers have adopted other methods for acquiring additional land.

Farmers generally have increased the size of their farms by renting. This represents a change in the traditional goal of farmers for full ownership. The extent of renting is illustrated by 1951 figures: 55 per cent of Saskatchewan farms were fully owned by the operator, 15 per cent were fully rented, and 30 per cent were part-owned, part-rented. The latter category has increased persistently since settlement. By renting some land in addition to that owned these farmers have secured the acreage necessary to use large machines efficiently.

On the average, owner-operated farms are smaller than fully rented farms and less than half the size of the average part-owned unit. This demonstrates the inability of most farmers to achieve necessary farm size and still hold to the goal of full ownership.

Through this period of adjustment there has been a lack of suitable credit to meet the full capital needs of an expanding industry. Availability of long-term credit would permit farmers to expand their holdings under ownership. The lack of such credit has also influenced the trend to renting.

There is some indication that investment capital has been attracted to farm land within the past decade. This has had the effect of providing a pool of land for renting, thus partially satisfying the demand for additional acres.

Part ownership has become more attractive to farmers in recent years. With higher and more inflexible operating costs,

combined with the increased capital investment associated with modern farming, low prices and yields are particularly hazardous for the farm owner. Part ownership, where the landlord shares the risks, is more attractive from this standpoint than full ownership.

The traditional "ladder" (whereby people entering farming do so through the steps: hired labour, renter, part owner, and owner) still functions to a degree, but with modifications. One rung of the "ladder"—hired farm labour—has diminished greatly in importance. In 1946, fewer than 5,000 permanent hired farm labourers were listed for 125,000 farms in Saskatchewan. Indications are that some beginning farmers have substituted non-agricultural employment for both the hiring out and renting stages, buying a farm after sufficient money has been saved. Studies of the Commission indicated that "help from the family" was an important means of starting farming.

The great change in the tenure pattern in Saskatchewan agriculture has been the increase in rented land. Farmers have qualified their goal of full ownership for the sake of efficiency in the particular circumstances in which they have been operating.

### **Farm Income**

Farm income is the basic social and economic factor which determines the progress of the farm family towards a secure and rising standard of living and of the rural community towards more satisfactory public services. What changes have taken place in the various components making up farm income since the days of settlement? This is an extremely difficult question to answer because of the shortage of information about farm income and particularly about the distribution of farm income. Some significant comments can, however, be made.

Increases in farm size have resulted in higher real incomes for farmers. From 1921 to 1951 average farm size increased from 210 to 346 cultivated acres. Assuming average yields, prices and rotations for the two periods, income per average farm (in constant dollars) in 1921 was \$1,818 and in 1951, \$3,007.

As seen earlier, however, there has been a growing disparity in the size of farms in Saskatchewan. In 1951 well over half the farms were below the average farm size. This growing disparity in size of farms is undoubtedly related to a growing disparity in farm income. The recent period of farm size expansion has been one when the rich have grown richer and the poor have grown poorer in relative terms. Certainly gross income data clearly show a growing disparity in the distribution of income. Moreover, severe poverty

exists among small and poorly equipped farms on the fringes of commercial farming.

How has agriculture fared, on the average, when compared to the rest of the economy? Average net farm income in Saskatchewan has remained persistently below non-farm income. This has been true even in agriculture's most prosperous years. On the average in Saskatchewan, over the period 1926-1954, per capita net farm income has been about half as large as non-farm income.

The components of income are volume of sales (largely dependent on yields), prices, and costs. During the period of Saskatchewan's history, yields and prices have been extremely variable while costs have increased and become more inflexible. The effects of these changes on net farm income are clear.

Crop yields in Saskatchewan have been extremely variable, the average change in yields from one year to the next ranging from 40 to 50 per cent for the major field crops. There have been significant differences in the degree of yield variability from region to region, yields being most variable in the arid southwest and decreasing as one moves to the north and east. Within each region, yields of the various field crops have tended to vary in similar degree. They have tended to be most highly correlated in regions of highest variability. Thus, the production of a combination of field crops has not proved satisfactory as a cushion against crop yield variability.

The nature of the supply of and the demand for farm products has resulted in highly unstable farm prices. In general, farm prices have been extremely sensitive to changes in either supply or demand. Both supply and demand, in turn, have been subject to abrupt shifts.

Prices received by farmers are traditionally highly variable. This is so in part because slight changes in demand have relatively larger effects on prices. The fundamental relationship has not changed over time, but some progress has been made in overcoming it by devices which either prevent shifts in demand or compensate for them. For instance, pooling and long-term marketing agreements for wheat have averaged out prices; programs to maintain national and international full employment have forestalled destabilizing depressions. A fundamental shift towards greater control over marketing generally is having long-run effects on price stability. Thus, changes in policy are beginning to have profound effects on the whole problem of price instability.

Prices have been unsuccessful in achieving balance between supply and demand in agriculture primarily because the agricultural



industry is made up of thousands of individual farmers acting without central direction. The inflexibility of land and equipment on individual farms and the difficulties in interpreting farm price behaviour are other factors which have inhibited correct price responses.

Even when producers generally have made production adjustments in the correct direction, there has been no method of determining or controlling the degree of adjustment for the industry as a whole. As a consequence, overcompensation has been the rule in price responses. The effect, rather than improving price stability, has been to accentuate price variations. The whole process has been further complicated by the influence on supply of uncontrollable variations in production.

The increased rigidity of the cost structure of agriculture resulting from mechanization and commercialization has added to the instability of farm income. There is validity in the farmer's historic outcry against the "price-cost squeeze" in agriculture. In general, as described above, farm product prices have been and continue to be more sensitive than most other prices in the economy. Very slight changes in demand or supply (over which the farmer has very limited control) result in much larger changes in price. Prices of commodities and services used by farmers have been much less sensitive than farm product prices. They have changed less frequently and to a lesser degree. This is so because industries servicing agriculture have been better able to control and administer their prices, and because a higher proportion of agriculture's costs are fixed costs. During depressions industrial firms curtail production, reduce inventories, and lay off workers in order to maintain prices. In laying off workers they transfer part of their labour costs to the public, who must bear the cost of relief payments. Agriculture, however, because it is made up of thousands of individual farmers acting without central direction, cannot transfer its costs to the public. It maintains production in periods of recession and may even increase its labour force, with the result that agricultural prices and incomes fall drastically.

It is true that agricultural prices have risen higher and faster than industrial prices during expanding phases of the business cycle. This has little meaning because of the general relatively low per capita income in agriculture at all times. The significant point has been the rapidity and depth of the fall of farm prices during declining economic periods. From 1950 to 1951, for example, the index of farm prices in Canada fell 41 points, while the index of prices of manufactured goods fell 16 points. From 1952 to 1953, farm product prices dropped at a rate 15 times greater than the drop in prices of manufactured goods.

Low incomes and income instability in agriculture are matters of concern for all groups in the economy. Although agriculture is declining relative to other groups in the economic life of the province and the nation, it still has strong regional effects and a significant national impact. As farm income dropped from 1953 to 1954 the retail value of farm implement sales fell from \$98 million to \$46 million. The secondary effects of such a drop reach into every segment of the economy, unless they are counterbalanced by increased economic activity in other sectors. Income instability results in periodic reduction in farm living levels; it does not ensure required production for the consumer; it slows down needed adjustments in agriculture; and it destabilizes regional and national economies.

## Changes in Population

The population of Saskatchewan has been extremely unstable during its short half century history. Rarely is population stability found in a recently settled agricultural area.

People are sensitive to the economic and social environment in which they live. How many people there are, where they live, what they do, the size of their families, the age of the population, and so forth, are largely determined by the environment of the people. The degree of change and adjustment in the environment is reflected in the mobility and changing characteristics of population. As the economy approaches maturity the population stabilizes.

### Description of Population Changes

The total population of Saskatchewan has changed in three general waves:

- 1) Before the depression of the 1930's, there was continuous growth in population due to substantial movement into the province;

- 2) Following the depression, movement out of the province became greater than the natural increase and the population dropped consistently;

- 3) Since World War II the birth rate and natural increase have risen, counteracting the effect of movement out of the province. In addition, increased employment opportunities have contributed to this levelling off of "out-migration." In most recent years there has been an absolute increase in population for the first time since 1936.

The most significant population change in Saskatchewan has been in the transfer from rural to urban. Farming areas, with a higher birth rate and a decreasing demand for agricultural workers, have traditionally produced surplus populations.

Changes in Saskatchewan population have reflected this tradition and the trends thus illustrate the increased maturity of the Saskatchewan economy. Following 1936, as mechanization reduced the population employed in the agricultural industry, a total of nearly 350,000 persons moved out of the rural areas. This surplus population had to seek employment in urban centers in this or other provinces. From 1936 to 1951 Saskatchewan urban centers were only able to absorb one in seven of the surplus people.

Movement from farm to town can be illustrated by other figures. For example, in 1911, 73 per cent of Saskatchewan's population was rural. By 1951 this had dropped to 55 per cent and is virtually certain to have dropped still further in succeeding years. The non-agricultural labour force already outnumbered the farm labour force by 1951.

A further aspect of the rural-urban trend is found in a study of the residence location of farmers. While the absolute number of farmers is decreasing, there is also a rapid recent increase in the number of farmers who live in town, either the year round or for the winter. From 1941 to 1951 the number of farms decreased by 19 per cent. The number of farmers not resident on their farms increased from 4.5 per cent of the total farmers in 1941 to 16 per cent in 1951.

Other changes in the composition of population are:

1) The size of the average farm family has decreased, but Saskatchewan rural families were still larger than urban families in 1951;

2) The average age of the population has increased as the young pioneers grew older, life expectancy was extended, the birth rate declined during the depression and early war years, and young people emigrated from the province. (In 1951, 54 per cent of the total population was under 29 years of age—an all-time low—and 26 per cent of the population was over 45 years of age—an all-time high.)

3) The aging of the population is proceeding more rapidly among urban people than among rural people.

4) The proportion of females in the population is greater than it has ever been, having increased steadily as the economy progressed from the pioneer conditions which favoured a predominantly male population.



## Causes of the Decline in Rural Population

The decline in rural population is rooted in the original immigration and settlement policies which brought Saskatchewan into existence and which have been described earlier. The practice of apportioning land on the basis of surveyed quarter sections, with little or no consideration for the productive potential of the soil, led to extreme overpopulation in many areas. It was inevitable that adjustments would be necessary, and the rapidity with which farmers began their adjustment to the land resources has been described earlier.

Superimposed upon this adjustment to land resources was the mechanization of agriculture which, again, sharply changed the relationship of man to his physical environment and caused further rapid adjustments in the population.

The decline in rural population represents a complicated adjustment to factors which have been "pushing" people off the land and to factors which have been "pulling" people into urban centers. On the one hand limited economic opportunities in agriculture—the inadequacy of farm income and a decreasing number of opportunities for young people—created a surplus farm population. On the other hand more attractive employment opportunities and the service conveniences of urban centers provided more attractive alternatives to farm people who might otherwise remain on the land. Little can, or should, be done to reverse this basic adjustment of people to their environment.

The inadequacy of farm income is the factor most responsible for population instability and rural population decline. Although *average* net farm income in Saskatchewan in recent years has compared favourably with farm income in Canada, the average hides the extremely disproportionate distribution of farm income. In 1950, for example, a year in which the relationship of prices and costs was reasonably satisfactory, over one-half of Saskatchewan farms received a *gross* income from the sale of farm products of less than \$2,500; eighty per cent had a *net* farm income below this amount. It is true that 1950 was a difficult year for many farmers because of poor grades. The income figures, however, clearly show the prevalence of marginal farming and the imbalance in farm income. Because of this situation many farmers are motivated to leave the farm in an effort to secure an adequate<sup>4</sup> standard of living.

Average farm income is not only low—it is also extremely variable and unreliable. Production varies from year to year. Prices vary from year to year. At the same time there is relative inflexibility

in prices of the goods and services used in agricultural production and this contributes further to income instability. From 1926 to 1954, Saskatchewan farm income varied approximately 38 per cent more than Canadian non-farm income. This variability, combined with the memory of the depressed 1930's, deters many farmers from making effective investment and production plans and therefore contributes to population instability.

Mechanization of farms means that fewer people are required to produce the same or greater product. Mechanization results in increased income per farm unit and per farm worker, but it hastens the elimination of many small farm operators. Crop specialization and the profit motive inherent in commercialized agriculture place a constant pressure on farmers to increase land holdings, thus reducing the number of available farms. Inability to secure the amount of capital required for mechanized and commercialized production leaves many small operators in a vulnerable position and stimulates further exodus from agriculture.

In general, population tends to flow in the direction of greatest economic opportunity. The movement of population from agriculture, however, is usually characterized by difficult adjustments. Consequently it has often been looked upon as a "bad thing." Movement of labour from agriculture to manufacturing and service industries is, however, a characteristic and necessary transfer in developing economies as national production rises. It represents the search of people for economic security and progress and is a normal adjustment of population to the economic potential of rural and urban areas. Historically, industry has always depended upon agriculture for its labour force. There is, of course, no alternative in an expanding economy.

The material comforts of urban living are becoming more attainable for farm people as a result of greater mobility, improved communication, and higher average farm income. Farm people are more conscious of the deficiencies in rural services—in education, transportation, recreation, and home conveniences. This again serves to stimulate the movement of people out of agriculture into urban occupations or the partial movement out of agriculture through part- or full-time urban residence.

The results of these changes in population have been greater concentrations in the urban areas and a sparser settlement pattern in the rural areas. There have been social costs involved both ways. Concentrations of population have raised the requirements for all types of facilities. The sparser settlement pattern has called for a greater centralization of facilities.

## Details of the Movement of Farm People

Movement of the farm population in Saskatchewan can be classified into three general categories:

- 1) movement out of agriculture,
- 2) movement from farm to town, and
- 3) movement from farm to farm.

*Movement out of agriculture*, as described above, represents a search for more adequate economic opportunities and social amenities. The groups who most frequently move out of agriculture are youth, displaced farmers, and retired farmers. In a predominantly rural province, such as Saskatchewan, only limited opportunity for other work is found close to the farms. In a Commission survey in 1953, only 28 per cent of migrants studied were employed within a radius of 25 miles of their home farms, 31 per cent had moved beyond 25 miles but still within the province, and more than 40 per cent had moved out of the province.

The Commission estimates that over half the farm youth must move out of agriculture to find employment. This movement poses a major challenge for the educational system—to prepare farm youth for urban occupations.

Displaced farmers are generally small farm operators who are forced to leave agriculture because of the factors described earlier. Between 1936 and 1951, the number of farms in the province declined nearly 22 per cent. This decline occurred largely in farms two quarter sections or under in size.

Retirement of farmers has accelerated with the increasing proportion of older persons in the farm population and the spread of mechanization. In many cases, however, retirement is being delayed because of the low income capacity of the farm unit.

*Movement from farm to town* is motivated by a desire for more adequate services, particularly education. This movement is much more pronounced in the prairie region and is associated with the low population density and less adequate services of that region. The majority of town farmers studied by the Commission lived within ten miles of their farms; the size of the town does not appear to be a primary factor determining place of town residence.

*Movement from farm to farm* generally involves short distances. These moves are made to improve economic conditions and do not disrupt the social framework to the same degree as other types of movement.



## Changes in the Institutions of Rural Saskatchewan

Changes in agriculture and related changes in population may be termed the basic changes in the economic and social environment of the province. These changes, however, set in motion many other changes which might, for purposes of clarity, be identified as secondary changes. This does not mean that they are less important but, simply, that they are more difficult to understand because of the many interrelationships involved.

The changes which have taken place in agriculture and in population represent the adjustment of the people of this province to their land and other resources. At any one time in this continuum the people have at their disposal a set of institutions—schools, churches, commercial ventures, voluntary organizations and so forth—which they have designed or which have been created or inherited to serve their many needs. These institutions, too, feel the full impact of the changes which are taking place in the industry of agriculture and in the population engaged in that industry.

During the course of the Commission's investigations, four studies were conducted into the institutions of the province. Many important aspects of institutional life were not studied—e.g., recreation, health, church and voluntary organizations. It is important, however, to note here the changes which the Commission identified in (1) the rural home and family, (2) the rural community and its service centers, (3) local government, and (4) education.

### Changes in the Rural Home and Family

The rural family forms the foundation of rural life. Agriculture provides the main material base of rural society: the family is its social base. The characteristics of the family affect society. At the same time the economic and social changes in society affect the character of the home and family.

***Standards and Levels of Living.*** "Standard of living" means how people would like to live; "level of living" is how they actually do live. The *standard* of living of rural families has increased tremendously since the days of settlement. Improved technology, increased communication, and greater rural-urban interchange has placed high standards clearly in the minds of farm people. The *level* of living, however, has lagged far behind these goals.

Farm income is the final determinant of the level of living of the farm family. Most Saskatchewan farms have suffered persistently from depressed incomes. A study of the changes in living

levels from pioneer times to the present reveals this close relationship to economic conditions. The adequacy of housing, home conveniences, fuel, water supply, food and means of transportation have been determined by the resources available to the farm family and, in the final analysis, by the level of farm income. Even when improved technology made modern conveniences available, most farm families could not afford them.

Pressures in the changing rural environment both promote and deter higher levels of living. Higher levels of farm income and greater interchange between rural and urban people have fostered rising levels of living. The high costs of farm mechanization, the persistently low farm incomes for a large number of families, and the uncertainty as to whether the family will remain on the farm, however, have deterred improvements in living levels.

Material levels of living vary in different areas of the province. The south and central portions are high in percentage of farm homes possessing electricity, piped-in water, and automobiles, in comparison to the northern part. The extent to which agriculture has been mechanized, which in itself is an important determinant of farm income, is clearly related to the possession of home conveniences.

The extent and distribution of farm electrification has improved rapidly in the past five years. This is a critical factor in raising farm levels of living.

**Family Relationships.** In the summer of 1953 the Commission interviewed a sample of farm wives to identify changes in family relationships.

Broad economic and social changes have altered the characteristics of all families and rural families have experienced particular kinds of change. The size of the average farm family has decreased. People are marrying at younger ages than in the past. Greater mobility of farm families, movement of farm families to urban centers, and increased opportunities for recreation and community work outside the home, have encouraged individual rather than family activities. Increasingly, functions that once were the family's are being transferred to other institutions. Many of these changes are probably typical of urban families as well.

Comparisons between the present family and the traditional pioneer family reveal significant changes. The clear-cut division of labour responsibilities along age and sex lines is disappearing. The father's dominant role as the decision-maker is changing, although he is still looked upon as "the income earner." The farm family of the present does not provide help or personal care for older

relatives to the same extent as the family of an earlier day. There is still a strong desire to have children continue in farming as a career, and an intention to help children become established in farming, but these aspirations are more apparent among families with better-than-average incomes.

### **Changes in the Rural Community and Its Service Centers**

The rural community in this predominantly agricultural province is an institution close to the hearts of rural people. The rural community is a trading or service center, or a combination of these centers, together with the surrounding territory and people which they serve. Farm people identify themselves with the center or centers and thus a community is built. It is an association hard to define but, on an emotional and traditional level, very close to the people involved.

Rural communities, of course, have been profoundly affected by the changes which have taken place in the countryside. Changes in the industry in which people are engaged and in the population characteristics of the area involved inevitably bring fundamental changes in the characteristics of the communities in which people live and work.

Mobility of the population has been one of the key factors influencing the rural community and its service centers. With improved cars and roads people move farther, faster and more often. The commercialization of their industry and their increased dependence on commercial services generally demand this increased mobility. Mobility, in turn, together with modern means of communication, permits rural people to see how others live and a demand is created for better services and a higher standard of living.

In total, increased mobility of recent years has resulted in enlarging the communities in which farm people associate for trade, services, and social life. For commercial services the farmer tends to bypass the nearby village and travel to the larger center where a greater variety of goods is available. He often follows a similar pattern in servicing and repairing his mechanized equipment. His social contacts are no longer limited to his immediate neighbourhood. In general, the larger towns are tending to become the new community centers while the smaller towns and villages tend to become the new neighbourhoods.

The total physical volume of goods and services sold at retail more than doubled from 1941 to 1951. This increase in sales has probably not been shared proportionately by small and large



centers. The tendency has been for a greater share of retail distribution to be concentrated in the medium and large centers and for a relative decline in the number and quality of services in the smallest centers.

There have thus been uneven rates of growth among urban centers of varying size. The highest rate of growth has occurred in the largest centres, with progressively smaller rates as one proceeds to smaller centers. Population in the smallest centers declined by 27 per cent from 1921 to 1951.

A further effect of mobility has been a narrowing of the gap between farm and town—a marked urbanizing of farm habits and values. Contributing factors to the disappearance of the old rural-urban distinction have been: the decline of country neighbourhoods, the increased number of farm families residing in urban centers, the sharing of educational and health facilities, and the frequent use of urban centers for a wide range of services.

Increased mobility of the farm population has also brought adjustments in the rural residence pattern. Improved technology on the farm has created more free time for the farmer; the automobile and truck have shortened distances. These factors have created the conditions necessary to permit the farmer to move his residence to the main market road or into town. A substantial number of such adjustments have already taken place, although town residence is confined largely to grain growing districts. Here, a village form of residence pattern seems to be emerging.

### **Changes in Rural Municipal Government**

The rural municipal system was established before much of the province was fully settled. It was established to satisfy needs as they existed in pioneer times. Since then major transformations have taken place in the environment in which this system exists and in the needs and services which it is expected to satisfy.

The average number of farms per rural municipality has declined. This has had the effect of spreading fewer people over the same geographical area or of placing more space between people. The isolated residence pattern has thus become more extreme and the provision of public services more expensive on a per family basis. At the same time, however, demands for higher quality services and for many new services have increased.

The net effect of these changes, in the realm of municipal government, is that tax loads per farm have increased. Where this is offset by higher income per farm this trend is not undesirable. It was pointed out earlier, however, that there are many low income

farms in the province. Taxes are burdensome for these farmers and tax collection is difficult for municipal authorities.

Land is the source of local tax funds. Initially this was assumed to provide a fair measure of ability to pay. The capital structure of agriculture has changed, however, since this principle was adopted. There are now sizeable investments in mechanization and other forms of capital resources which are not yet available as a tax base for municipal government.

Changes in the cost structure of farming are also related to municipal government's ability to perform its function. New costs have been added to farming and all farm costs have been rising in recent years. Land taxes, one of the costs of farming, have not increased as much as other costs. This means that improvements in local services have been neglected to meet the rising costs of farming generally.

When the present municipal system was established it had prime responsibility for all local services, with the exception of education. Some of these services (e.g., social welfare) have been largely transferred to higher levels of government. Others (e.g., agricultural improvement) have had weak support from rural municipalities. Larger special service districts (union hospital districts, veterinary districts, agricultural representative districts, health regions, and so on) have been established to provide new services. The development of specialized services on the basis of large service-centered areas, each differing one from the other, and the continuation of the nine-township municipality unrelated to the community within which rural people associate, have created problems in the level and co-ordination of services. All larger area authorities are dependent in some measure on the functioning of the rural municipality for implementation of their programs.

Another element in growing interdependence has been greater sharing of technical and financial resources, particularly between provincial and local governments. Assistance ranges from grants to the provision of administrative advisers and technical specialists. There has developed over time a working partnership of governments which depends on all its members for total effectiveness.

The rural municipality is left today with one key function—providing roads. Modern commercialized agriculture requires rapid and heavy mechanized transportation to maintain the flow of farm products to markets and to bring commercial services to the farm. The municipality's discharge of its responsibility for road construction and maintenance vitally affects every local service. Modern all-weather roads adequately planned are thus one of the most important keys to the continued development of the rural economy.

## Changes in Education

Changes in farm income and density of population have had profound effects on the organization of education. By creating the need for new levels of technical skills and skills in business management among the farm population, agricultural changes have also altered the educational needs of rural people. The movement of farm youth to urban centers has also altered the educational needs of these young people; they now require preparation for urban occupations. In addition, generally rising farm incomes and increased rural-urban interdependence have increased the demand for higher standards of education—for improved facilities, qualified teachers, and an enriched curriculum. Changes in the environment have also emphasized the contribution education can make in preparing farm people to use increased leisure time wisely and to understand their role in a changing community.

Centralization has been the major change in the organization of education since the days of settlement. There are over 5,000 school districts in the province. Of these, 1,600 were not operating in 1953-54. (More than half of these ceased operations after 1946.) Another 500 schools were operating with fewer than 10 pupils.

Conveyance of students has also grown over the years. In 1921, 88 districts were conveying. By 1954 the number had increased to 1,451, 85 per cent of the districts where schools were closed. That economies can be achieved by regrouping is shown by the fact that between 1946 and 1951 per student costs increased more in units with low centralization than in highly centralized units. Economies can be gained if two districts can be closed and conveyed for every one room required in a central location.

Although centralization was undertaken initially as an adjustment to a declining rural population and the shortage of qualified teachers, there can be no doubt that after some experience it has come to be favourably regarded as an important means of providing education of a higher standard. In general, rural people have accepted centralization as a positive adjustment where they have had experience with it.

The educational system in Saskatchewan is still characterized by a low level of retention of students through high school. There has been a slightly higher proportion of students enter high school, but once in high school, students tend to drop out in approximately the same proportion as they did in years past.

Rural-urban differences are apparent in retention. In the 15-19 year age group in 1951, 57 per cent of rural non-farm youth,



54.5 per cent of urban youth and 44 per cent of farm youth were attending school.

Retention of students is clearly related to facilities and the supply of teachers. The number of high school and continuation rooms had increased from 435 in 1926-27 to 975 in 1953-54. Fewer districts now provide more facilities but these facilities are still spread very thinly over the province.

The percentage of unqualified teachers has been declining since 1949, but 765 (8.7 per cent of the teaching force) were not qualified in 1954. A direct result of the shortage has been increased demand for the services of the Government Correspondence School.

Public expenditures on education nearly tripled from 1921 to 1954. Per capita expenditures have increased as population has declined, but increased personal income has kept expenditures for education a relatively stable proportion of personal income. All government expenditures have risen in the postwar years, but expenditures for education as a proportion of government expenditures have declined slightly. Similarly, the proportion spent for education by local governments has increased less than the proportional increase in public works expenditures.

Within education, increasing proportions of expenditures are being allocated to non-operating or capital expenditures. Further, increasing use is being made of loans and debentures. These trends reflect the capital costs of a system of rural education in transition to centralized school facilities.

The main structural change in education in recent years has been the formation of larger units of school administration in 56 of the 60 superintendencies of the province. Larger units were formed to provide adequate administrative and taxing units and to minimize inequalities in financing education among school districts. As farm population declined, many school districts were unable to meet the needs of modern education. In many instances, the number of students per district was too small to keep the school open, and the cost of financing education was excessively high. Larger units provided more adequate machinery for coping with some of these basic problems.

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Widespread change has been under way in Saskatchewan agriculture and rural life since the days of settlement. Change has penetrated every aspect of life in the province. There have been changes in the occupation of farming, in ways of living, in the patterns of association of people and their community relationships,

in the provision of services to the rural countryside. Change in each aspect of life has been intricately interwoven with changes in other aspects.

During this period of widespread change many adjustments have been noted. Many maladjustments have also resulted and those of greatest current importance comprise the problems described in the next chapter.

## CHAPTER III

*The Impact of Change:  
Saskatchewan's Rural Problems*

Facing problems is nothing new to Saskatchewan's rural people. The pioneers' difficulties in establishing farms and developing community life on the frontier were aggravated by many factors: isolation, severe winters, unpredictable summers, the distance from markets, transportation difficulties, and many, many more. Even before these initial difficulties were resolved or adapted to, new problems were created by an unrealistic settlement pattern, by marketing and transportation monopolies, and by the advent of power farm machinery. Individual and social adjustments have been required at every stage of progress since the settlement of the province.

Problems, indeed, are nothing new. And the Saskatchewan farmer—individually and through farm organizations—has proved remarkably resourceful in overcoming them. Policies of provincial and federal governments, too, have been directed towards easing specific farm problems. The federal government, for example, has enacted legislation to provide some relief for crop failure and to assist in rehabilitation and conservation. It has undertaken the responsibility of marketing wheat and certain other grains on behalf of the farmers. It has provided regulation of marketing and shipping practices which have improved the farmer's position. The provincial government has exercised the powers within its jurisdiction in innumerable ways to extend aid to farmers and to rural communities through conservation and development, regulation, marketing assistance, aid to co-operatives, grants, and other means.

In recent years notable advances have been made in the provision of public services. The federal government has launched significant welfare programs in terms of old age pensions and family allowances. The provincial government has undertaken to provide hospital care for virtually the entire population and has expanded the provision of prepaid medical care. New forms for the organization of rural education have been devised and grants for education increased. Regional libraries have been introduced. Agricultural services—particularly agricultural extension—have been greatly expanded. Electric power has been extended to nearly 40,000 farms in little more than a decade. The advances have indeed been significant.



Yet the tempo and extent of social and economic change has been such that individual and social adjustments have failed to keep pace. Long-standing problems in agriculture and rural life have been intensified and new problems created. This is the most natural of consequences. Each new element — the tractor, the larger farm, industrial expansion — sets off a chain reaction which reaches to the farthest corners of rural society. The problems which follow are a necessary counterpart to change and progress.

The key to needed action by governments and individuals lies in the identification of these problems and their relationships within the context of the dynamic social and economic environment. If guideposts for the future are to be erected, the identification and definition of problems is a necessary first step.

This section attempts to summarize and integrate the problem statements which appear in the full range of Commission reports. It is, of course, not complete, since it is limited by the extent of the Commission's investigation. The reader should also be cautioned that, as a summary statement of problem situations, there is little emphasis here on the significant and positive progress that has been achieved. These are the residual problems which the Commission identified within the limits of its inquiry.

The most fundamental problems in Saskatchewan today are those directly related to the level and stability of farm incomes. In addition, and in a sense conditioned by farm income, are the problems associated with the provision of rural services — roads, education, electrification, housing, and so forth. Finally, the Commission identified a series of deficiencies in research and planning which cut across the whole range of economic and social problems.

## **1 The Level of Farm Incomes Remains Low Relative to Levels Among Non-Farm Groups in the Economy**

In terms of the average net farm income per capita in Saskatchewan, the level has improved substantially. This is true even when measured in constant dollars. In the period 1926-28, for example, annual per capita farm income in Saskatchewan averaged \$328, measured in terms of 1935-39 purchasing power. Applying the same measure, per capita incomes in the period 1942-53 averaged \$512. So, in an absolute sense, measuring two comparable periods of agricultural prosperity, farm incomes have improved.

In relative terms, however, the average member of Saskatchewan's farm population has made little progress. In 1926-28, per

capita farm income was about two-thirds of non-farm income; the same proportion applied in 1942-53. And these were agriculture's best years; in the 1930's and in 1954, average per capita farm income was less than one-fourth the amount of the non-farm average.

The reasons for this persistent income disparity in the Canadian economy are to be found in the level of demand for farm products, in the value of production per farm worker, and in the bargaining strength which the farmer exerts in the market.

### **The Demand for Food Products Lags Behind Canada's Productive Capacity**

Demand for food is determined by the number of consumers and by the level and distribution of income. Unlike most consumer goods, however, demand for food does not increase in direct proportion to increases in the level of income; rather, it increases at a slower rate. The problem of insufficient demand for Canadian food products lies in the level of population and the level and distribution of income in Canada and in the foreign markets accessible to Canada.

1. Canada's domestic population, still far below capacity, is too small to absorb actual or potential agricultural production. In part, the rate of growth has been less than optimum because postwar immigration has not been maintained at the level of Canada's capacity to absorb new citizens.

2. The existence of low income groups in Canada depresses the demand for food.

3. The level of foreign demand for food products is restricted by exchange problems, by political barriers to trade, and by the lack of purchasing power in underdeveloped countries.

### **The Value of Production Per Farmer Is Low Relative to the Value of Production Per Worker in Most Non-Farm Industries**

The amount of production per farmer is determined in general by the availability and use of productive resources: land, labour, and capital. The money value of production received by the farmer is in turn affected by the proportion of the consumer price which he receives.

1. Perhaps half of Saskatchewan farmers lack adequate capital resources. The most fundamental deficiency here is the lack of

appropriate credit for beginning farmers and for undercapitalized farmers. Agricultural credit generally is inappropriate because it fails to provide flexible repayment terms geared to the farmer's irregular flow of income. In addition, and partly because of credit limitations, the application of technological improvements has been retarded on a great many farms. More land resources would be available to agriculture if public development were adequate and integrated. Finally, the whole problem of distributing resources in agriculture is complicated by the surplus of farmers which exists relative to available land resources and the existing state of technology.

2. Tenure on many Saskatchewan farms is insecure. Nearly half of Saskatchewan's farm acreage is rented, and most private rental agreements fail to meet the requirements of a good rental contract. Ownership itself is no guarantee of security, however. With increased inflexibility of operating costs and today's higher capital investment, low prices and yields are particularly hazardous for the farm owner. Another factor affecting security is the lack of information and the lack of sound legal procedures with respect to the transfer of family farms from one generation to the next.

3. Some farmers are prevented from making the most appropriate use of their existing resources. One major roadblock rests in the failure of prices under our economic system to give proper guidance to farm production. In addition, changes in agriculture demand new skills which all farmers have not acquired. More highly developed skills in farm management and in farm mechanics are most needed. Assistance in developing these skills through credit advisory services and through extension services is inadequate.

### **Farmers Lack Bargaining Strength in the Market**

Because farmers as individuals have little effective bargaining strength in dealing with large processors and distributors, they exert little control over marketing margins charged to consumers. While the farm share of the consumer dollar varies from product to product, depending on the amount of processing involved, marketing margins in many cases tend to be disproportionate. In addition, any price decline is usually borne almost exclusively by the farmers.

## **2 Farm Incomes in Saskatchewan Are Highly Unstable**

Net cash income, which is the most unstable component of farm income, is determined by three basic factors: (1) the volume



of sales, (2) the prices received, and (3) the level of farm production costs. In these factors lies the quantitative explanation of farm income instability. Because net cash income is based on these factors, it is in part a reflection of production decisions by the farmer in his role as manager.

### **Farm Prices Vary Widely in the Short Run**

While the degree of price variability varies from product to product, all farm prices have covered a wide range over recent decades. There is a marked tendency, as well, for the prices of individual products to vary closely together. The fundamental cause of this extreme variability lies in the nature of farm product supply and demand.

1. Farm prices are highly sensitive to changes in either supply or demand. Both supply and demand, in turn, are subject to abrupt shifts. Shifts in supply stem largely from variations in crop yields. Shifts in foreign demand result from the many abrupt changes in the flow of international trade. Shifts in domestic demand, while less frequent, do occur as the result of inflationary and deflationary cycles, weather, and other short-term changes.

2. Prices are unsuccessful in achieving balance between supply and demand in agriculture primarily because the agricultural industry is made up of thousands of individual farmers acting without central direction. The inflexibility of land and equipment on individual farms and the difficulties in interpreting farm price behaviour are also factors inhibiting correct price responses. Overcompensation is the rule in aggregate farm responses to price changes. The effect, rather than improving price stability, is to accentuate price variations.

### **Variability in Production Has Serious Direct Effects on Farm Income**

The volume of agricultural production fluctuates more drastically in Saskatchewan than in any other Canadian province. The index of Saskatchewan's volume of agricultural production (1935-39=100) has varied from highs of 248 and 267 (1942 and 1952) to lows of 31 and 102 (1937 and 1954).

1. Field crop yields in Saskatchewan vary sharply from year to year. The average change in yields of major crops from one year to the next ranges from 40 to 50 per cent. On a regional basis, crop yields are most variable in the southwestern part of the province and decrease in variability as one moves to the north and east.

2. While total production plans of Saskatchewan farmers (in terms of acreage seeded and number of livestock on farms) are remarkably stable, there are substantial shifts from one type of product to another.

3. Despite the basic and essential protection afforded, compensation for crop failure under the Prairie Farm Assistance Act is deficient in some respects and inequitable in others. Deficiencies stem from the fact that, despite increases in costs, in price levels, and in farm size, benefits are pegged at 1939 levels. Inequities result from the lack of discrimination among farms in the collection of levies and in the payment of indemnities, and from the arbitrary exclusion of certain areas.

### **Marketing Problems Increase Farm Costs and Delay Producers' Returns**

Delayed deliveries of wheat, necessitated by the present large carryover, are a case in point. To the costs of farm storage must be added the costs paid by farmers on the large stocks in public storage. For farmers with limited resources the added costs and delayed returns constitute a serious hardship.

### **Because Farm Costs Are Relatively Inflexible, Farm Net Incomes Drop Sharply When Prices Fall**

This is the much discussed price-cost squeeze. More accurately, it is a "gross income-cost" squeeze, since the level of production is involved as well. Saskatchewan farm experience between 1951 and 1954 affords a striking example. Average gross income per farm declined from \$7,500 to \$4,000 between 1951 and 1954. At the same time, average costs increased from \$2,600 to \$2,700. The result was a 73 per cent drop in farm net income.

## **3 The State of Farm Income, the Decline in Rural Population, and the Increased Mobility and Progressive Urbanization of Farm People Have Intensified the Problems of Providing Adequate Services to the Rural Population**

Public services and commercial services in our society have become steadily more important to the welfare of people. In farming, which traditionally has bred self-sufficient family units dependent neither on governments nor traders, the metamorphosis from independence to interdependence has come with a rush. The commercialization and specialization of farming have been the prime

movers in this change. But in recent decades the trend has been hastened by rapid mechanization and attendant increases in farm size. The average farm has become a business enterprise representing substantial capital investment. And the farm family has become a consumer unit hardly distinguishable from its urban counterpart.

Because of physical factors and because of persistent income disadvantages, farm people have never enjoyed the same level of services to which the urban worker has been accustomed. Farm children have received fewer years of schooling under less favourable conditions than city children. Far fewer farm than city homes have had electric power and piped-in water. The average farm home itself has been less adequate in terms of space and structure than modern city homes. Rural medical and hospital services have been generally much less accessible and often of lower standard. Such basic security measures as unemployment insurance and public accident compensation plans have not been available to the farmer.

Even if rural and urban incomes were comparable, modern services would remain less accessible in rural areas. This is true because of the higher per capita costs associated with sparse settlement patterns. Roads, schools, electric power, water supplies and sewage disposal systems are all considerably more expensive to provide to a dispersed population.

The rapidity with which changes have occurred in rural Saskatchewan has greatly intensified problems relating to the provision of services. Schools, roads, power all involve high capital costs in fixed locations. A shifting population makes efficient planning extremely difficult. A declining density of population increases the cost per unit. At the same time, the changing outlook of farm families brought about through greater mobility and wider communication has heightened the demand for services of higher quality. The moderate increase in per capita incomes has further strengthened this demand.

Unstable population, changed values, and new needs have created serious problems for the provision of modern services in rural areas. Much progress was noted by the Commission. Many adjustments have been made in rural education, and more educational services of higher quality are being provided in many areas of the province. A start has been made on adequate roads in the market grid plan. Power distribution to farms is expanding year by year. Health services are among the most advanced in North America. Yet in view of the rapid changes, in view of the new demands placed suddenly on governments and rural institutions, and in view of the



complication introduced by low and unstable farm incomes, it is not surprising that the Commission found many deficiencies as well.

The Commission devoted special study to local government generally and rural municipalities in particular; to rural roads, education, electrification and the home and family. The problems identified are summarized below.

### **Local Government**

1. Primarily because their structure is not adapted to changed conditions, rural municipalities are generally unable to perform their functions satisfactorily. Because of their uniform and arbitrary size, there is great diversity of resources from unit to unit. Tax arrears are high, particularly in units of low assessment. Borrowing capacity and sources of revenue are both extremely limited. One by one, functions have been taken away from rural municipalities until today they are mainly concerned with collecting taxes and maintaining rural roads. Unable to afford adequate staff and often addicted to divisional apportionment of funds, municipalities frequently suffer from ineffective administration. All in all, general ineffectiveness is destroying the rural municipality as the stronghold of democracy.

2. Rural municipalities vary widely in population and show poor conformity to the boundaries of service areas and other units.

3. There is practically no boundary integration between larger school units and rural municipalities.

4. Agricultural representative districts, although generally conforming to boundaries of rural municipalities, fail to conform consistently to service areas and in some cases fail to select appropriate administrative centers.

5. There is virtually no integration of proposed hospital areas with other services or jurisdictions.

6. The lack of relationship between school and municipal units intensifies problems of taxation, road planning, and representation.

7. Overlapping jurisdictions make it impossible to determine accurately tax and debt carrying capacity in almost any type of unit.

### **Rural Roads**

Although the initiation of the main market road grid marks a forward step in rural road construction, a number of problems remain, particularly in the classification and planning of roads.

1. Rural roads fail to meet the needs of mechanized traffic.
2. Present road mileages are excessive.
3. Roads are not classified according to a workable system.
4. There is a lack of local planning.

## Education

In the past 75 years, tremendous advances have been made in the provision of free public education. Today it has become one of the most vital public services in democratic society.

Rural education — which has always encountered special difficulties — has been keenly affected by the accelerated changes in the rural economy during the past 20 years. These changes have created new problems in the provision of education and, as well, have created new needs to be met by education. Many of these problems and needs have been tackled vigorously through the centralization of schools, through the creation of larger units of administration, and through the provision of more funds for teachers and facilities. Changes and new demands have moved at such a rate, however, that adjustments have barely been able to keep pace. The problems identified by the Commission relate to organization, administration, finance, the shortage of teachers, the retention of students, certain aspects of curricula, and the special field of adult education.

1. Population movement has hastened the closing of one-room rural schools and heightened the need for centralized facilities. Two handicaps in school centralization have been the high capital costs of transportation equipment and the inadequacy of rural roads. The high capital costs of centralized facilities themselves are a further complicating factor. At the same time, centralization is proceeding without appropriate facilities for planning. Some costly errors in locating and planning new buildings have already occurred, and more will follow unless means are provided to obtain more and better information and planning services. The closing of one-room schools has caused some district boards to cease functioning; where this has occurred, taxpayers may have no means to participate in the affairs of the central school.

2. Some financial and administrative problems persist in larger units. While the larger units provide a much more stable tax base than small school districts, there is still a troublesome disparity in resources from unit to unit. Administrative problems are both internal and external. On the whole, internal administrative relationships among unit board, superintendent and secretary are

good, but in some cases ratepayers are concerned that superintendents wield too much authority. Unit-district relationships are less satisfactory. Many district boards are apathetic towards local administration; where this occurs the democratic functioning of the unit is threatened. One of the most serious problems of all stems from the lack of formal administrative links between larger units and municipal, health, agriculture, and other local agencies.

3. The low level and instability of farm income, disparities in resources, and the required pace of centralization create problems in the financing of education. One serious symptom is the extent of tax arrears in units of low assessment. Large capital requirements are forcing units to seek ever larger amounts through long-term borrowing. The problem here is the lack of a central agency through which units can be assured of a reasonable amount of long-term credit at favourable rates of interest. While provincial equalization grants are essential and of great value in the attempt to provide universal education of minimum standards, present formulas are not fully equitable. This is apparent from the fact that school tax rates are highest in units of low assessment. In part, equalization is a national problem; provinces cannot equalize educational costs fully because wide differences exist in tax resources among provinces.

4. The continuing shortage of qualified teachers has lowered standards of education, has adversely affected the retention of students, and has contributed to the closing of rural schools. More teachers leave the province or profession each year than are trained to replace them. Factors which the Commission found to be related to this loss include low salaries, inadequacy of accommodations, rural isolation, lack of social life in rural areas, and inadequate school facilities and equipment. There is a persistent movement of teachers from rural to urban positions.

5. In the light of modern requirements for the welfare of the individual and society, too few Saskatchewan students — particularly farm youth — are being retained through high school. The proportion of students completing high school in Saskatchewan has been consistently lower than in any other western province. Within Saskatchewan retention is lowest among farm youth, particularly farm boys. The distance from farm to school, the level and distribution of farm income, the lack of a diversified curriculum, the lack of vocational guidance, the shortage of teachers, and the socio-economic status of the farm family all appear to be related to this low level of rural educational attainment. Implications are serious, both for the economic attainments of youth in farm or city employment and for rural social progress.

6. The demand for professional and semi-professional skills in Saskatchewan exceeds the supply. The cause is found in the facts



that too few students seek higher education and, of those who do, a high proportion emigrate to other provinces or the United States. The number seeking advanced training is limited by the low number of high school graduates, by the costs in relation to family incomes, by the lack of bursaries and scholarships, and by the absence of skilled vocational counsel. A problem associated with the shortage of professional personnel is the high rate of first year drop-outs at the University of Saskatchewan.

7. Social and economic changes in the Saskatchewan environment have created needs for vocational training which are not being met. Present programs of vocational training for non-farm employment are inadequate either to train displaced farm youth or to supply needed workers in Saskatchewan's growing industries. In agriculture, vocational training is not available to many who need to acquire mechanical and management skills. Attendance at the School of Agriculture is limited to a relatively small group of farm youth.

8. The organization of adult education and the resources available to it are seriously underdeveloped. Voluntary organizations, the university, and government have made substantial contributions to adult education. However, voluntary organizations have limited financial resources and lack co-ordination, both at the community level and the provincial level. If the university is to fulfill its responsibilities in this field, it is seriously deficient in research and training resources. In the provincial Department of Education, the administrative separation of several related adult education agencies complicates the development of integrated adult education services. All in all, the organization of continuing education in the province is greatly confused.

## **Electrification**

High line electricity is a power source with wide potential application on the farm and in the farm home. It differs from other sources of farm power in at least two respects. It comes to the farm, not in a fixed size as a farm tractor does, but as a stream which can be drawn on when needed. And it is extremely versatile, being readily adaptable to heat, light, and refrigeration as well as to many specialized tasks in the farm enterprise such as water pumps and milking machines.

Saskatchewan's program of rural electrification, delayed by depression and war, did not really get under way until 1949. By the end of 1956, approximately 40,000 farms were being served by the Saskatchewan Power Corporation. Although this represents a substantial accomplishment, it includes but half of the province's

resident farmers. Extension of services in the future involves some difficult problems. Of the farms not now connected, a large proportion are low income farms which cannot afford the capital costs of power installation and the cost of acquiring and using electrical equipment. A lesser number can afford power but are too isolated for economic connection. A third group is made up of tenants whose landlords will not supply power. In addition, problems exist with respect to increasing the consumption of power and the distribution of grants to the public by the power corporation.

## **Home and Family**

Problems of income and public services focus on the family and its members as they affect the level of living, social adjustments, and psychological security. In its analysis of rural levels of living and family relationships, the Commission identified the following major deficiencies.

1. Rural services related to the home lag far behind typical urban services. In nearly every aspect of housing and home conveniences, urban homes are better equipped. In 1953 rural Saskatchewan suffered from a minimum housing shortage of nearly 17,000 dwellings. Crowding and obsolete accommodations affected an additional 62,000 dwellings. In 1951 Saskatchewan ranked lowest among the provinces (except for Newfoundland) in the percentage of homes possessing electric light and piped-in water together with the conveniences which go with these services.

2. Rural families continuously face complex economic, social, and psychological problems for which services are needed. Despite the large number of agencies in the field — which include federal and provincial governments, the university, commercial and communication agencies, and voluntary associations — adequate services are not assured. In addition, the content of extension programs directed to the rural home and family is not broad enough to meet modern needs.

## **Commercial Services**

Although the Commission made no detailed survey of specific commercial services in the province, in the course of its investigation of mechanization and service centers it identified at least two major problems relating to commercial services.

1. Mechanization has increased the difficulties of servicing and repairing farm equipment. Farmers need these services at locations near their farms, but suppliers say this can be done only at excessive cost.

2. There is a pronounced tendency for a greater share of retail distribution to be concentrated in medium and larger centers and for a relative decline in the number and quality of services available in smaller centers.

#### **4 Lack of Fundamental Information and Deficiencies in Research on Problems Related to Agriculture and Rural Life Are Preventing Rational Planning and Blocking Many Avenues of Rural Improvement**

Perhaps because the need was more apparent and the benefits more obvious, agricultural research has been concentrated almost exclusively on physical problems of production. Whatever the cause, agricultural research today suffers from distorted emphasis. While in no way deprecating the vital importance of new varieties, new breeds, and new production techniques (indeed, much greater research in these fields is warranted) the Commission is deeply concerned by the dearth of research on economic and social aspects of agriculture. Mechanization, increases in the size of the farm business, the need for expanding capital resources, the growth of production co-operatives, marketing problems, and many other changing conditions demand scientific study. Yet the funds and personnel devoted to research in these fields are almost non-existent.

Beyond the farm itself lie the problems of the community and its institutions. Here, charting the course of future development is urgent, and plans are essential. But very little pertinent social and economic information has been collected and analysed to point the way.

The studies of this Commission have been restricted by the lack of reliable information in many fields. The following is a list of the specific areas which the Commission marked as particularly urgent for further study.

1. Social and economic aspects of agricultural production, including farm management and the role of farm credit, agricultural extension, producer price responses, the social aspects of co-operative farming, and the quantity, quality and cost of present grain storage facilities.
2. Food consumption levels and standards.
3. The causes of low retention of students in high school.
4. School planning.
5. The requirements of equity in rural-urban tax assessments.



6. The financial and service situation of villages and towns.
7. Community development.
8. Extension and adult education techniques.

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In the Commission's judgment, these four major groups of problems are the basic problems facing the people of Saskatchewan. If they appear stark and unrelieved, it is in part due to their summary presentation here which required stripping them of detail and of many qualifications. That they are incomplete is certain; the selection necessary in the Commission's investigation, the lack of information at many critical points, and the very breadth of the problems themselves create fundamental limitations. Nonetheless, the Commission believes that the problems stated here form the essential starting point for charting the course of future rural improvement. The broad outlines of that course are set forth in the following chapter.

## CHAPTER IV

### *Policies and Programs*

This section presents, in capsule form, the policy and program recommendations of the Commission. It is based on a consideration of social and economic changes, adjustments to these changes, and problems which persist or can be anticipated. In general, Commission recommendations have been gathered from the separate reports, paraphrased, and classified under a limited number of policy statements.<sup>1</sup> In this form it provides a convenient overview of the Commission's proposals for rural economic and social improvement. One important omission will be noted. This consists of the many recommendations dealing with the need for further study of particular problems, with public discussion and conferences, and with planning generally. The last chapter in the report will deal with those fundamental aspects.

As a prelude to the summary of recommendations which follows it may be useful to consider the Commission's overall approach to solutions and some of the problems it faced.

The terms of reference were focused primarily on agriculture and the rural society. It is quite possible to approach specific rural problems within these limits. But when the basic problems of agriculture are tackled such limits cannot be imposed realistically. This statement of policies and programs is therefore related, at a number of points, to society as a whole. In fact, all fundamental aspects of Commission policy recommendations are on this level. This does not mean that the Commission implies "what is good for agriculture is good for society." It does mean that the Commission has in its studies and deliberations attempted to develop some broad principles which are consistent with general social needs. For instance, when the Commission discusses the problem of technological displacement of farmers it recognizes that automation in industry is a similar problem springing from similar sources, and that its recommendations can have general application.

In addition to identifying the broad social goals which are shared by agriculture and Canadian society as a whole, the Commission was keenly aware of the interdependence which exists between these two sectors. Agriculture is an integral part of the total economy; rural Saskatchewan cannot be divorced from society

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<sup>1</sup> The recommendations themselves are reproduced in Appendix I.

as a whole. It is necessary therefore to develop policies for agriculture with full recognition of their effect on the total economic and social structure. Failure to do so may mean a loss to society as a whole and an ultimate loss to agriculture. A wholesale and rapid reduction of tariffs, for instance, may mean cheaper supplies for agriculture and perhaps expanded markets, but resulting unemployment in manufacturing may mean serious economic and social repercussions. A rise in interest rates may have a beneficial effect in controlling inflation but it may also prevent farmers from obtaining adequate credit.

The Commission was aware of these interrelationships at all times, and has attempted to develop policies and programs in the interest of agriculture and society as a whole. For example, higher incomes for agriculture are in part predicated on increased production per farmer. Support price levels are based on income needs of farmers and the general economy's interest in farm purchasing power. Federal aid to support high cost education in rural areas would benefit the rural areas themselves and the urban areas to which many rural young people migrate.

The Commission was concerned at all times with recommending programs of action or programs leading to action, whether on an individual or social basis and at various levels of social and political organization. Thus, although in the course of analysis certain abstract and theoretical techniques were used, final solutions were framed with an eye to political, administrative, social, and economic realities. For example, on the complex problem of farm size and rural social stability the Commission was unwilling to base its solution completely on either social or economic measurements alone. It stated in one report: "This Commission is strongly of the opinion that a balance must be sought between economic and social efficiency in determining the number of farm families who will find satisfying opportunities in agriculture."

On a number of points the Commission was convinced of the adequacy of a particular solution but was forced to accept a compromise approach in view of the certainty of obvious public objections. For example, the Commission considered a National Livestock Marketing Board the best technique for marketing livestock, but it concluded that the only realistic step at present was formation of producers' hog marketing boards. Similarly, county government was judged the best form of local government, but here again the Commission accepted the modified county as a reasonable form of reorganization.

All of this does not mean that Commission recommendations are compromised to win universal approval or that they do not



provide leadership. In fact a number of violent exceptions have already been taken to certain of the Commission's suggestions which run counter to popular or special interests. But it does mean the general basis for framing solutions was neither completely revolutionary nor status quo, but a blending of what is necessary and what can be done.

The Commission was almost constantly faced with the problem of how far to go in detailing implementation of policies in its recommendations. Should a Commission go beyond outlining a principle? Should it go beyond outlining a program? Should it provide alternative but less desirable programs? Probably the general rule was to detail as little as possible beyond ensuring an understanding of the program recommended. In some cases, for instance, where adequate administration was vital, detailed suggestions were made. In the case of credit a federal administrative structure is specified, but with price programs little reference is made to administration.

The question of priorities in programs is one which arises when a comprehensive social and economic policy is being framed. In many cases it was impossible to say "this must come first and that later," since all elements in a particular program were essential. However, in some cases priorities are stated explicitly, in others the order of recommendations indicates priorities. Thus, programs to adjust resources within agriculture are, in terms of potential gains, more important than programs which would add new productive resources to agriculture. Reorganization of local government is a necessary first step to other adjustments. Centralization of schools is essential to the solution of other educational problems. By and large, however, unless a clear case could be made for priority or unless it was essential to insist on a priority, the Commission felt that this question was best left to public discretion.

## Economic Aspects

The problems of agriculture can only be solved in any fundamental sense in a national and international economic environment in which there is full employment, technological advance, general economic expansion, a reasonable distribution of income, and working relations between national governments. This does not mean that given these conditions all problems will be solved automatically, but it does mean that without these conditions problems cannot be solved with any degree of certainty.

The primary responsibility of the federal government in solving agricultural problems, therefore, lies in the active maintenance

of an adequate general economic environment. There is little question that public action can perform this task with readily available techniques. The Commission is convinced that greater public action in the national and international economy is required.

Beyond this fundamental requirement, adjustments are needed in a variety of aspects which are of specific relevance to the well-being of agriculture. These are linked to the problems discussed previously but are grouped somewhat differently here.

### **POLICY 1. Increasing and Maintaining Demand for Food Products**

In the effort to improve farm income, sight is often lost of the obvious importance of the level of food consumption. The Commission stressed a direct attack on demand as the first step in a series of policies designed to raise and stabilize farm income. The most important element in demand is the general economic environment discussed above which involves:

1. Use of public powers of the federal government to direct the course of general economic development in Canada towards predetermined goals with special reference to: (a) uninterrupted general economic expansion; (b) achievement of balanced regional economies; and (c) achievement of balanced development among the various sectors of industry. (8-1, 13-1, 13-27)<sup>2</sup>

2. Use of public powers of both provincial and national governments to redistribute income equitably, through measures to increase productivity where it is relatively low, through universal public services, and through direct income payments. (8-2, 13-2)

3. Federal action in the international field pressing for and utilizing international currency programs, long-term credits, trade agreements, international buffer stocks to stabilize prices, and the use of food surpluses to finance development and to relieve malnutrition and famine. (8-5, 8-6, 8-7, 8-8, 13-6, 13-7, 13-8, 13-9)

Supplementary programs should include:

1. Increased immigration. (13-5)
2. A food distribution program for low-income groups. (8-3, 13-3)
3. Publicly controlled storage to even out the flow of food to consumers. (8-11, 13-32)
4. Public and producer marketing boards to reduce marketing margins. (8-20, 8-23, 8-24, 8-30)

<sup>2</sup> These numbers, which appear in Chapters IV and V, refer to the recommendations listed in the Appendix. Thus, 8-1 means Report No. 8 (Agricultural Markets and Prices), Recommendation 1.

## **POLICY 2. Maintaining Farm Income When Demand Falls**

Special programs to maintain farm income would seldom, if ever, be necessary in an economy featuring high levels of employment, income, and exports (that is, barring production difficulties). Nevertheless, it is important for farm welfare to maintain farm income at all times. Furthermore, it is also necessary for the entire economy to have farm purchasing power maintained. As the most practical means to this end the Commission recommended:

1. A system of price supports, to be instituted in the event of a general recession of farm prices, based on parity of farm prices and costs, covering all farm products, but limiting protection of individual producers to a reasonable level. The program calls for deficiency payments from the federal treasury to make up the difference between market and support prices. Parity estimates would be based on a period of full employment and normal trade. (8-10, 13-33)

2. Provision in all credit programs for variable repayments which would decline as income falls. (3-15b, 3-17d, 13-29a)

## **POLICY 3. Improving Producers' Position in the Market Place**

Both the producer and the economy generally could gain substantially from an improved marketing structure. These gains include more orderly marketing, reduced marketing margins, and a more effective use of the pricing mechanism. On the selling side of the market the Commission recommended:

1. Permanent establishment of the Canadian Wheat Board as the sole marketing agency for wheat, oats, barley, flax and rye. The addition of one or more grain farmers to the Board is suggested to ensure the representation of the producer's viewpoint. (8-20, 8-21)

2. A Board of Livestock Commissioners to improve efficiency in livestock marketing operations by means of supervision, continued study, and public information. (8-29)

3. Establishment as soon as feasible of a federal government National Livestock Marketing Board as sole marketing agency for hogs and cattle entering interprovincial trade. (8-23)

4. As a first step towards (3), the institution of provincial hog marketing boards in the prairie provinces to operate jointly with the Hog Marketing Board of Ontario. (8-24, 8-25, 8-26, 8-27)

5. Early establishment of poultry products marketing boards in the provinces and regional or national boards for interprovincial and export trade. (8-30)



With respect to the things farmers purchase, the Commission recommends:

1. That the federal government exert greater general control over monopolistic firms and industries.

2. That farmers utilize their own co-operative facilities to a much greater extent than at present. (2—Machinery Manufacturing and Distributing Costs)

#### **POLICY 4. Reducing Uncertainty in Production and Offsetting Production Variations**

Uncertainty of prices is a prominent element in instability of farm income. To the extent that farmers can in fact adjust production readily in response to prices, efforts to make prices more certain are justified. But it is impossible to do this with complete confidence because of the difficulty of controlling or guiding an industry composed of thousands of individual producers each interpreting prices and making production decisions. What is required in addition is a set of programs which will offset production variations and their effects. These are even more vitally related to uncontrollable yield variations. Six programs were recommended:

1. A system of guaranteed forward prices based on supply-demand conditions for all principal agricultural products. These would be announced well in advance of the production period and would be guaranteed in the event of market prices falling below forward prices. Market prices would be permitted to move up and down and the producer would be compensated from the federal treasury. (8-9, 8-10, 13-30, 13-31)

2. Long-term commodity agreements. (8-5, 8-17, 13-6)

3. Comprehensive publicly controlled storage programs to operate in conjunction with the forward pricing program and to stabilize supplies for the market. (8-11, 8-15a, 13-32)

4. A system of cash advances on farm stored grain during such emergency situations as the present temporary grain surplus. (8-14)

5. Credit for other emergencies. (3-18, 3-19, 3-20, 8-15b, 13-29b)

6. An all-risk federal crop insurance program. As a first step the Commission recommends an experimental program for wheat in selected areas of varying intensity of risk. The suggested program would provide a coverage equal to 60 per cent of average yield with maximum premiums of 10 per cent of average yield. Extremely high risk areas would be excluded. In general, insurance

would be based on area premiums and indemnities, but it is suggested that the size of areas be varied and that individual farm indemnities be tested as part of the experimental program. The program, where accepted by a majority of farmers, would be compulsory. (9-1 to 27, 13-28)

At the same time the Commission suggests retention of P.F.A.A. as a separate program operating wherever crop insurance was not being applied. P.F.A.A. should be modernized, involving among other things increased payments and increased permissible acreage. (9-28, 9-29)

### **POLICY 5. Adjusting Resources in Agriculture**

In discussing farm economic problems the public has focused its attention on markets and prices. The Commission, while not discounting these aspects, concluded that the relationship between capital (land, in particular) and labour was far more important than commonly assumed. Its policy for achieving an adequate adjustment between land and labour is based on assumptions that:

(a) A reasonable rate of technological improvement will continue, exercising continuing pressure on agriculture and at the same time providing expanding opportunities.

(b) Price-cost relationships will not turn appreciably to agriculture's advantage in the long run.

(c) Total level of demand for food products and the component parts of that demand will change only slowly from the present situation.

There is little prospect that these conditions will or should be changed and, unless the scale of operations in agriculture is expanded generally, many farmers will find themselves condemned to a substandard level of living. Programs are needed which will minimize hardships while reorganization is taking place. More specifically, the economic objective is to produce food as cheaply as possible—an objective which can probably be best achieved by reorganizing the land resource base so that fewer farms would result. The social objective is to maintain as many farm families in this province as the soil resource will sustain adequately. The Commission therefore recommends an adjustment policy which will maximize the number of family farms, that is farms which meet the following four conditions:

(a) The farm operator makes all or most of the managerial decisions;

(b) The farmer and members of his family supply most of the labour needed;

(c) Available farm resources are sufficient to provide the family with an adequate minimum standard of living; and

(d) Tenure is reasonably secure for the operator and his family. (5-1, 5-2, 13-10)

The major techniques for adjusting resources in agriculture are credit and tenure. The Commission recommended:

1. An integrated national farm credit policy and program which would redefine, in part, existing activities and agencies and would bring together all such agencies into a single administration. The divisions of the administration would consist of (a) the Canadian Farm Loan Board and (b) the Farm Improvement Loans Act to look after the needs of established farmers, and (c) an Establishment and Development Division (which would be a revamped Veterans' Land Act) to service competent beginning and small-unit farmers. (3-1, 3-2, 3-4, 3-5, 5-3, 13-11)

2. Changes in policy for credit for established farmers so that (a) it becomes more useful to family farm transfers, (b) its repayment terms are more closely related to income flows and (c) it is made available to partnerships and production co-operatives. With respect to working capital, the Farm Improvement Loans Act should provide for budgeted (line-of-credit) loans, longer repayment periods for machinery, and application to partnerships and production co-operatives on a group basis. (3-3, 3-13, 3-15, 13-27)

3. Credit for beginning and small-unit farmers incorporating the following conditions:

(a) Fixed and working capital supplied from a single agency;

(b) Sufficient credit for adequate farm units with a minimum capital investment of 10 per cent required of the borrower;

(c) Careful selection of borrowers and an active program of supervision and advice where necessary;

(d) Thirty-year repayment period with flexible repayment terms and non-subsidized interest rates;

(e) Encouragement of father-son transfers, secure rental arrangements, and production co-operatives. (3-16, 3-17)

4. Wider use of existing localized facilities for credit. This can be facilitated by creating more specialized services in banks and credit unions, by encouraging the establishment and use of credit unions, and by discouraging credit buying in retail establishments. To bolster the position of credit unions, early organization and



operation of a National Co-operative Credit Society is recommended. (3-6 to 12)

5. Continuation of policies and programs on farm security and debt adjustment, but with legislation consolidated. (3-14)

6. Improvement of the conditions of private rental arrangements through statute and other techniques. These conditions include written contracts specifying, among other things, length of lease, termination procedures, rental rates, and compensation for unexhausted or removable improvements effected by the tenant. In addition, legal proceedings should be changed by providing either for appointment of arbitrators or for establishment of land courts to deal with landlord-tenant disputes. (5-7, 5-8, 13-13)

7. A more formal agreement as the basis for family tenure. In father-son transfers such agreements would specify the consecutive roles of each and the compensation to be paid. To facilitate retirement, a contributory retirement fund should be established. In the absence of a federal credit program, the province should establish a revolving capital land fund for family farm transfers. (5-9, 5-10)

8. Encouragement of co-operative forms of tenure by government and co-operative institutions. (5-14, 13-35, 13-36, 13-37)

9. A series of programs to increase the direct participation of the public in the land tenure structure in Saskatchewan is essential:

(a) Public acquisition of additional submarginal land to be reallocated in such a way that it will help create economic farm units and induce more intensive use. (5-12, 5-19, 13-12)

(b) Public purchase and reallocation of oversized and absentee owned farms when they become available for sale. (5-13)

(c) Public ownership and leasing of present Crown land and of land involving heavy public investment, e.g., irrigable land. (5-18, 13-23)

10. Improvement in landlord-tenant relations with respect to Crown land including:

(a) Increased emphasis on rent remissions as an incentive for improved practices and stricter enforcement of improvement requirements.

(b) Full compensation for improvements to the tenant upon his quitting the lease and full payment for clearing and breaking.

(c) Explicit provision for renewal of leases.

(d) Continuous review of rental rates and a decreased rental during development stages.

(e) Reallocation of grazing leases to contribute to the formation of family sized ranches. (5-15, 5-16, 5-17, 5-20)

## **POLICY 6. Facilitating Transfers From Agriculture**

It is not desirable to force people out of agriculture to find their way unassisted to a new life, either through a "free play" of economic forces or an induced depopulation as outlined above. Accepting the necessity of depopulation on a rational, planned basis, the Commission suggests the encouragement of desirable movement out of agriculture into non-agricultural economic and social opportunities. Since the decision to move is an individual matter, policies should facilitate as much as possible a rational, free movement. Such policy is virtually absent today. Specific programs are:

1. Full employment nationally. (13-1)
2. Continued emphasis by the provincial government on industrial expansion in Saskatchewan. (13-14)
3. Development of composite schools and a technical institute in Saskatchewan. (6-12, 6-28, 6-37, 6-38, 13-15)
4. Expansion of the National Employment Service to provide: more widespread dissemination of job information; a more comprehensive system of job counselling; unemployment insurance benefits to all workers who desire to take technical training courses during slack employment periods; and a system of relocation credits or grants to ease the financial burden of transfers. (13-16)

## **POLICY 7. Increasing Productive Resources in Agriculture**

As suggested, the greatest gains to individual farm income under conditions outlined above will result from increasing the number of acres per farm. However, further gains can result if the total resources available in agriculture for distribution among a given farm population are increased. Such increases in total resources would include (a) additional productive land, (b) intensification of present land use through irrigation, drainage and other forms of land development, and (c) technological improvements in the form of machines and buildings, weed and pest control devices, fertilizers and varieties. The general possibilities for applying these elements are largely controlled by the level and composition of demand for food, since their application will probably result in increased total production, a change in type of farming, or a combination of these consequences.

On the basis of a slowly growing demand for food arising from a growth in population and income, a gradual shift in consumption towards meat products and vegetables arising from higher incomes, the purely localized effects of many development projects,

and the multipurpose nature of certain land and water projects, the Commission concluded that a policy of increasing productive resources in agriculture was justified. It does not, however, assume that this provides the basis for an increasing population in agriculture. The Commission recommends two sets of programs (in addition to relevant credit and tenure programs suggested earlier); one dealing with land and water development, the other with research and technology. Specific programs are:

1. Transformation of the Prairie Farm Rehabilitation Administration into a National Land and Water Board to plan and implement (with active participation by the provinces) a soil conservation program, development of interprovincial resources, and other land and water development projects. (13-17)

2. Implementation of a much more vigorous approach to resource development, including: comprehensive physical and cost analysis and benefit-cost comparisons; thorough planning of all aspects of projects; a single authority for projects; encouragement of public participation in project administration; and appropriate community organization. (13-18)

3. Greater provincial administrative and financial responsibility on moderate sized irrigation projects, with provincial control to be retained if local organization fails to assume its responsibility effectively. (13-19)

4. Federal, provincial and local responsibilities for drainage projects equivalent to their respective responsibilities for irrigation projects. (13-20)

5. Increased provincial responsibility for clearing and breaking on all Crown leases. (13-22)

6. Immediate initiation of the South Saskatchewan River Development Project on the following basis:

- (a) Federal financial responsibility for all dams, reservoirs, and appurtenant works, and for the complete development of certain irrigation blocks set aside for resettlement of drought area farmers.

- (b) Federal assistance in provincial capital financing.

- (c) Provincial financial responsibility for direct power costs plus an annual contribution to the federal government of a portion of power surpluses, irrigation systems other than (a), and recreational facilities.

- (d) A joint Federal-Provincial Development Board to maintain inter-governmental liaison, to review and correlate all planning, to determine timing, and to deal with all other joint problems.

- (e) Federal administrative responsibility for dams and reservoirs.



(f) Provincial administrative responsibility for power, recreation, and irrigation aspects.

(g) Local administrative responsibility for individual irrigation areas. (13-24)

7. Greater federal contributions for research in farm technology, both to its own agencies and to universities. (13-25)

8. Creation of a national Agricultural Social and Economic Research Board to allocate research funds to research agencies in universities and elsewhere. Its funds would be derived from a nominal deduction from all agricultural marketings and an equivalent contribution from the general tax revenues of the federal government. (13-26)

### **POLICY 8. Improving the Ability of the Individual Farmer and Farm Family to Cope with Management Problems**

The Commission has argued up to this point that the solutions to farm problems lie largely outside the scope of individual action. It says in effect that an average farmer cannot operate with an inadequate set of resources and manage them so as to produce an adequate income. Similarly such a farmer has little personal control over the market forces which impinge on him. At the same time, there are vast differences in individual farm incomes derived under similar conditions. This is explained largely by individual management competence and application (if we assume that maximizing income is a common goal of individual farmers). Improving management in all its aspects must therefore be an important element in agricultural policy. A kindred aspect is the improvement of the individual farmer's technical skills.

Closely related in character to farm management is home management. Here the homemaker is faced with similar problems of management and technical skills. Her concern, however, is with providing the greatest level of satisfactions from whatever income may be derived from the farm enterprise.

To assist farmers and homemakers in their difficult tasks two main recommendations were made:

1. A broad educational approach involving expanded, re-defined, and new farm and home extension services (these are discussed under "Public Service Aspects"). (5-6, 10-5, 10-6, 10-9 to 12, 13-38 to 46)

2. With particular reference to farm operations, the greater exploitation of the possibilities of production co-operatives, through

programs to overcome the human relations problems of such co-operatives, through wider publicity on machinery co-operatives, and through elimination of discrimination against co-operatives by federal credit agencies. (13-35, 13-36, 13-37)

## Public Services Aspects

Human satisfactions in our modern society stem to an important extent from individual activities, from earning personal and family income, and from the satisfaction of wants through spending such income on personal goods and services. However, many services must be provided socially since their provision on an individual basis would be extremely costly. Examples of such services are power generation and distribution and education. Furthermore, our economic system has not provided equal access to services. Coupled with this has been a growing popular acceptance of the need for availability of more and more services to all regardless of ability to pay. Finally, as the economy expands, qualitative and quantitative changes in public services and their administration become imperative. Standards which may have been acceptable 25 years ago are no longer sufficient. A population which shifts as the structure of the economy undergoes fundamental changes places further burdens on public services, and renders unstable a framework of services built on different foundations and anticipations.

The Commission's basic policy approach here consists of three broad elements: (a) public provision of services in numbers and at a level defined by social needs, (b) equitable distribution of all public services, and (c) effective political and administrative institutions. These are extremely broad policy statements and the Commission has not developed any of them fully. In fact, outside of suggesting a national health program, no reference is made to the extent of public services necessary beyond expanding present activities.

### **POLICY 1. Public Provision of Services in Numbers and at Levels Defined by Social Needs**

The Commission found that a great deal of progress had been made by various levels of government in providing needed services to rural areas. At the same time, it found that there were many gaps and lags in the scope and quality of services. Unless more progress is made, material and non-material aspects of rural life will continue to suffer. The services designated below have social, economic, and — in some cases — personal functions. All-weather

roads, for instance, provide for easier access to market and thus enhance the economic situation, not only for the farmer, but also for the urban merchant and dealer. At the same time, they make cultural and educational institutions more accessible and so contribute to individual and community development.

The following new programs and expansion and amendment of programs were recommended:

1. An effective rural road system which involves less mileage than present total road mileage but which is planned to provide better service through proper location and through a greatly expanded mileage of all-weather roads. (4-16, 4-20, 4-21)

2. A consciously planned regrouping of school facilities as an essential element in raising educational standards. Closeness to home should be an important consideration in centralization of elementary schools, but facilities and standards should be the primary consideration in high school centralization. (6-10 to 14, 6-23, 12-2c, 12-2d)

3. Improvement in teacher training involving two- or four-year training programs; teachers' salaries comparable to those obtaining in alternative careers; better living accommodations for teachers. (6-22 to 24)

4. Widening of vocational education, including: establishment of a provincial Institute of Technology; initiation of a program of training in homemaking and agriculture for out-of-school young adults; appointment of qualified supervisors of agriculture and homemaking in the Department of Education; and stimulation of the use of the School of Agriculture. (6-31 to 38, 10-7)

5. Encouragement of greater retention of students through federal scholarships, diversification of curricula in schools, itinerant vocational instruction for rural schools, and vocational counselling and guidance in all high schools. (6-26 to 30)

6. Development of a broadened and more effective program for continuing education, including greater citizen participation, more specialized staff, and development of more effective techniques. (6-39 to 42, 6-44 to 47, 6-49)

7. Broadening and intensifying farm extension services to emphasize farm management and public policy aspects, such expansion to be built on a comprehensive base of subject-matter research, extension research, and specific training in extension methods. (5-4, 13-34, 13-38)

8. An experimental program for home extension to provide assistance in home management and family relations. (10-13)



9. Development of water and sewage systems in communities. (10-2)
10. Continued electrification of rural homes. (10-3, 11-1 to 4)
11. Rural housing programs. (10-4)

## **POLICY 2. Equitable Distribution of All Public Services**

The provision of adequate incomes by means of programs described previously is probably the most useful step in ensuring the ability of people to pay for public services. But even if all incomes were equal there would be great variation in public services because of differences which exist in the cost of providing services between rural and urban areas or between sparsely populated and densely populated rural areas. At present, of course, we are confronted not only with differing costs and differing incomes but with the coincidence of these factors in many instances. It is necessary, therefore, to equalize burdens of services which society has decided to provide. This involves federal, provincial and local forms of equalization. The Commission made a number of specific and general recommendations all leading to more adequate access to public services. In some cases the grants or transfers specified are not directly equalizing in nature — but are designed to stimulate programs or establish standards of service.

1. Predicated on local government reorganization: the provision of provincial grants for salaries of certified road supervisors; the provision of increased and equalized provincial grants for all-weather roads; and the establishment of a provincial government revolving fund for the purchase of road construction and maintenance equipment. (4-18, 4-24, 4-27, 4-28)

2. Increased federal financial responsibility for highways. (4-30)

3. Balanced federal, provincial, and local contributions towards financing education, including increased federal and provincial expenditures leading to a greater total expenditure on education and a more equalized expenditure. (6-19 to 21)

4. Thorough review of assessment in both urban and rural areas as a step towards correcting persistent inequities in local tax burdens and providing a better base for grant distribution. (6-19, 6-20)

5. Pooling of local government borrowing powers into single local debenture-issuing agencies (a step dependent upon the establishment of coterminous boundaries for local units); and/or the creation of a single agency in the province which will buy all local debentures and sell debentures on its own behalf. (4-15, 6-18)

6. The gradual introduction, as local government improves, of unconditional provincial grants. (4-29)

7. Distribution of grants in lieu of taxation from the Saskatchewan Power Corporation on the basis of the relative amounts of power consumed in both rural and urban jurisdictions. (11-9)

### **POLICY 3. Effective Political and Administrative Structures, Responsibilities, and Procedures**

It is obvious that without adequate public agencies and procedures and public participation, public services will fall short of their expected contribution. The Commission found on the one hand a justifiable and realistic demand for improvement in services. It found on the other rather serious weaknesses in the planning and administration of services and in the general political environment. In the case of rural municipal government and its functions, the Commission was forced to conclude that no improvements should be attempted without a fundamental structural reorganization. In the case of extension services, most goals were not being reached because of inadequacies in local structure and in the definition of roles of service agencies. Thus with many programs of public services the most important Commission recommendations are on political and administrative structure and responsibility. (As indicated previously, programs for planning and development are dealt with in the next chapter.) These include:

1. Structural reorganization by the Government of Saskatchewan of local government with particular reference to rural municipal and education functions. Alternative forms of organization suggested are the modified county and the full county. The following steps are recommended:

(a) Careful study of Commission proposals by local governments, provincial organizations, and community forums, with guidance to the provincial government derived from such procedures.

(b) Appointment by the provincial government of a Local Government Boundaries Committee having representation from organizations directly concerned with reorganization.

(c) Based on its own analysis and wide public discussion the Committee should make recommendations concerning: common boundaries for municipalities and school units, with due regard to other local administrative areas; incorporation of existing local improvement districts; and a method of redistributing assets and liabilities of school and municipal districts.

(d) When the Committee recommendations are accepted by the Government, modified or full counties should be instituted throughout the province without delay.

(e) Early study should be made of villages and towns in Saskatchewan with a view to their incorporation into the modified or full county. (4-1 to 14, 4-31, 12-2a)

2. Effective planning and administration of road services provided by both local and provincial governments. The first step in planning is the classification of all road mileages into proper location and standards. This should become the road plan for each reorganized unit and should be the basis for grants. The second step is the drawing up of a construction schedule. Both steps involve local and provincial participation. (4-16 to 19)

In order to plan and implement plans effectively, qualified road supervisors are essential, and it is recommended that statutory provision be made for appointment of certified supervisors in each county, and that an intensive training program be launched. (4-22, 23)

To supplement local technical resources and administer grants the Province should establish regional road engineering, planning, and administrative services. (4-25)

3. More effective local administration for education, involving:

(a) Redefinition of boundaries to coincide with service-centered communities; (6-1, 12-2b)

(b) Establishment of all superintendencies as larger school units; (6-2)

(c) General integration of rural and urban school districts; (6-2, 3)

(d) Advanced training courses for secretary-treasurers and annual institutes for trustees; (6-4)

(e) Local study and planning relating to regrouping of facilities; (6-10, 6-14, 6-17)

(f) Establishment of a Division of School Planning in the Department of Education. (6-15)

4. Greater emphasis on public participation in educational administration through:

(a) Election of trustees by electoral districts; (6-5)

(b) Delegation of meaningful responsibilities to local boards; (6-6)

(c) Establishment of Home and School Clubs; (6-7)

(d) Dissolution of local boards where schools are closed and larger attendance areas are operating. (6-8)



5. A revamped structure and redefinition of responsibilities for adult education, consisting of:

(a) A Citizens Council for Continuing Education composed largely of representatives of voluntary organizations. Its functions would include co-ordination, clarification, and stimulation of programs, determination of policy under which grants are to be made to voluntary organizations, and development of local citizen or community councils for continuing education. In the program every effort should be made to facilitate the development of the rural school system as the primary center for continuing education. (6-39 to 42, 6-49, 50)

(b) Revised and expanded Adult Education Services of the University, which should involve:

(i) a training center for professional adult educators,

(ii) research into adult education techniques,

(iii) development of methods whereby specialized resources of the university may be made available to Saskatchewan communities,

(iv) transfer of activities of a non-technical nature to other adult education agencies in the province. (6-48)

(c) Continued provincial government participation in adult education, with its role strengthened by increased grants and by consolidation of the Saskatchewan Recreation Movement and the Adult Education Division into a single Division of Continuing Education. (6-43)

6. Reorganization of the agricultural extension structure to include:

(a) A broadened Provincial Advisory Council attached to the Co-operative Extension System as a whole, with standing committees for each major problem area, and employing a full-time executive director. (13-45)

(b) New voluntary extension associations in each agricultural representative district replacing existing committees, boards and societies as the primary means of organizing local participation in extension activities. (13-41)

(c) Ultimately, responsibility for farm and home extension education to rest with the county or modified county, with financial assistance from the provincial government in the form of appropriate grants. (13-43, 44)

(d) An increase in the number of agricultural representatives per agricultural representative district; and assumption of responsibility for 4-H clubs and agricultural societies by the Agricultural Representative Service. (13-39)

(e) Revising university functions in extension to include: an effective training center for professional extension personnel; research services relating to new experimental approaches; and the appointment of subject-matter specialists to each major research department of the College of Agriculture to synthesize research information, to identify needed research, and to consult with extension personnel. (13-42)

7. Initiation of a pilot project on home extension with the following structure and functions:

(a) An Advisory Council to establish and evaluate the pilot project; the Council to consist of representatives of government, university, voluntary organizations, and people from the test area.

(b) The Women's Service of the University to provide secretarial services, a central office, and specialist services.

(c) The Agricultural Representative Service to co-operate by sharing office space, office help, and transportation. (10-13)

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This abbreviated summation of the policies and programs recommended by the Commission covers a wide range of aspects affecting agriculture and rural life. In places it penetrates fairly deeply into familiar methods and established institutions. The Commission is convinced that realistic long-run solutions for many of our problems are possible. But it is equally convinced that these solutions will not be fully realized directly from the proposals of this or any other commission. Full realization can only come with the widest public discussion and understanding. Under such scrutiny, amendments, changes, and adjustments will inevitably be found necessary.

Moreover, the very process of investigation which a commission such as this one must go through involves, as it were, "stopping the clock." Meanwhile, the forces of change continue their relentless way. Even before findings are published, conditions change and the need for new or changed adjustments becomes apparent.

This, in a sense, is the Commission's final recommendation: that policies and programs be reviewed continuously in the light of changed economic and social conditions and in the light of broad public discussion. As the Commission has discarded policies useful in 1911 but anachronistic today, so its own recommendations are certain to become outdated in the course of time. This, of course, does not provide an excuse for inaction; action must and will be taken. Rather it means that action should be based on the best possible assessment of immediate and long-term needs.

## CHAPTER V

# *Rural Planning and Development*

The Commission has now completed over four years of intensive study of Saskatchewan agriculture and rural life. Its instructions were to identify trends emerging from the first half century of the province's development and to propose guideposts for future rural progress. The search of the Commission has not been for the superficial and passing phases of development. Rather it has sought to detect and underline the deep streams of change which are eroding the old and established patterns and to chart new courses as a foundation for the future flow of human activity in rural areas.

Perhaps the most disturbing aspect of the Commission's experience was the discovery that, at every level of government and of society generally, there is a critical lack of information and understanding with respect to the forces of change. This situation exists primarily because we have failed to apply available tools of analysis and, consequently, have been unprepared to take the necessary action. These deficiencies and the failure to take adequate action have contributed to and, in a sense, constitute our present problems.

We are living in an economic and social environment which is not and should not be static. Nevertheless, its changing nature and structure have left a significant backwash of maladjustment. Our rural economy forges ahead, creating pressures for larger farms and opportunities for fewer farm people, but our social and service institutions are slow to adjust. Economic change occurs as a general phenomenon, but its benefits are often restricted to a limited number of people. The problem which emerges is not one of arbitrarily resisting change, but rather of accepting the necessity of change as a counterpart to progress. At the same time an element of control should be imposed over change itself to ensure minimum dislocation and maximum distribution of the benefits of change on an equitable basis. It is necessary to develop to a much higher degree the ability of people, their institutions, and their economic pursuits to adjust to given necessary but disturbing changes.

There is little question that change must continue. The task of controlling change to a significant degree is monumental, since



it involves the very foundations of our political and social institutions. Even if we assume a desirable improvement in our ability to control the rate and character of development, change — as viewed from rural Saskatchewan — is something which will continue to dislocate people and institutions and leave many problems of adjustment in its path. This will be so because the rate of change will vary, featuring periods of rapid change (such as the present) and periods in which the pace slows to a walk. The forces of change will continue to be one-sided, relating largely to economic and technological aspects. In the process our social patterns and institutions will tend to lag farther and farther behind.

These characteristics of change bear directly on the adjustment problems of rural Saskatchewan, particularly in the transition period of the next one or two decades. Serious dislocations are already evident in both social and economic adjustments to new forces in the rural economy. Farm families can be expected to continue in their individual search for improved circumstances. In the absence of effective means of attaining broad social adjustments which require collective decisions, many opportunities for an improved and relatively stable agriculture and rural life will not be realized. The Commission is convinced that the development of effective means rests on our ability, at every level of our political, economic, and social structure, to plan realistically and act accordingly.

## Planning and Development: A Conscious Attempt To Control and Direct the Process of Rural Change

In every advanced society there is good reason to believe that a considerable degree of scientifically conceived, directed, and achieved social reorganization is possible. Increasingly such reorganization is on a level that will enable man to avoid much of the slow, blind drifting and the human and social expense of the difficult adjustment processes described above. The extent to which we can do so:

rests upon man's ability soberly to conceive possible but luminous goals, to profit by social experience, to engage in scientific research in ever-expanding areas of concern and interest, to amass tested facts and laws, to develop workable techniques, to assay trends and predict possibilities, and creatively and constructively to employ these elements for mastery—step by step, but a persistent step every time—for the sake of more effective and prosperous social living.<sup>1</sup>

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<sup>1</sup> Joyce O. Hertzler, *Society in Action*, The Dryden Press, New York, 1954, p. 381.

Any attempt at self-direction on a rational basis is usually referred to as planning. When applied to the institutions of society it is called social planning. At this level it tends to be one of the most controversial and misunderstood of all subjects affecting rural welfare. There are those who regard planning as the answer to all of our problems. Others look upon it as a menace that will thrust upon us complete regimentation and the destruction of many of our precious liberties. As with most controversial subjects neither of these extreme viewpoints represents the practical possibilities of planned development.

There is no doubt that planning, as with many of our inventions in physical technology, can be used and has been used by all sorts of groups to further all sorts of objectives. Planning is widely used by dictators and totalitarian regimes. In democracies it is resorted to by private and public agencies to ensure both individual and social goals. But social planning both in practice and in public conception often does not go far in embodying our best possibilities of rational, orderly progress.

The confusion which all too often centers around the idea of social planning is not found in the question of whether to plan, but rather in the nature and extent of planning under democratic auspices. We have no alternative other than to seek a more or less comprehensive design for action and to attempt to guide and co-ordinate the forces that play upon the rural economy. While planning has particular significance in a period of institutional transition, it should be a continuous, flexible, and comprehensive process. It is always subject to review, however, because new insights and experience will constantly enlarge the understanding of those concerned. This should clearly indicate that this Commission does not envisage a society based on a universal formula or master blueprint that will be good for all time. It does, however, envisage a society which employs planning as an indispensable tool for social progress.

## An Evaluation of Rural Planning in Saskatchewan

What is missing in our planning and development process? Throughout its investigation the Commission was continually confronted with inadequate planning facilities and, as a consequence, with inadequate data. In some cases it also found a complete absence of planning where the need appeared vital. It found that effective development was being forestalled by lack of goals or by inconsistent and contradictory goals, by inappropriate procedures and by a lack of co-ordination. Finally public participation in planning was much less than required for a healthy democratic process.

Nothing demonstrates planning deficiencies more glaringly than the absence of information and analysis. In virtually every Commission report there is noted "need for more information" and "need for more research." This does not refer to abstract types of research but rather to information and analysis on a very primary level. It is precisely at this level that the planning process must begin. And data must be available at every level of social planning from the community to the national government. If it is not, then decisions can be based only on "hunches" or biased opinions which may distort or even bypass the real issues to be considered.

No argument is made here for the final authority of facts and figures. Social and economic behaviour is too complicated for that. Despite this limitation there are very extensive developments which do lend themselves to fairly precise measurement. Even where this is not so, carefully assembled data can provide an indispensable guide and check against limited experience.

Many examples could be cited of the limitations of information noted by the Commission. Larger school unit trustees are faced with the task of regrouping schools. Whenever school trustees select the future site of a centralized school, more often than not heavy capital investment will be involved in buildings, facilities, and bus routes. If serious errors are to be avoided they should have access to information on population trends, both rural and urban, throughout the district. They should be able to identify the growth potential of the hamlets, villages, and towns, past and probable future adjustments in farm size, tendencies towards relocation of farm residences in town; these and a host of other factors affecting future patterns must be understood. The same situation applies to the development of all-weather roads, hospitals, power and telephone systems, credit unions, recreation centers, the location of retail outlets and other aspects of rural development.

This emphasis on information may seem to pursue the obvious. It remains true, however, that public understanding of the role of fact-finding and the development of the tools of fact-finding are extremely limited. This is relatively true whether applied to local, provincial or federal government. It has been this Commission's experience, in each of its studies, that the means for obtaining economic and social data are amazingly underdeveloped relative to the costs involved in faulty economic and social development. In aspects too numerous to detail, programs of critical significance to the future are proceeding on little better than informed hunches.

### **The University**

The University, as the primary agency of training and disinterested research, gives little evidence of serious interest in any



great expansion of social science personnel and facilities. Under these circumstances it is little wonder that there should be failure on the part of the general public to recognize how social and economic analysis is related to the process of making decisions.

This deficiency in the provincial university, as a tax-supported institution, has caused the Commission particular concern. Various explanations have been given for the situation. There are some who regard the social sciences as relatively immature. In the light of the growing significance of problems associated with human relations this reasoning appears quite unacceptable. Significant advances have been made in the social sciences in recent decades throughout the world. Even if immaturity is admitted, however, the University must still accept responsibility for leadership in further development of the social sciences if the growing needs of society for trained personnel and adequate research are to be satisfied.

The Commission also recognizes that many competing demands are placed upon the University. The problem here is one of priorities. To the extent that the University does not recognize its role in the development of the economy, the social sciences will be placed low on the scale of its priorities; and if the University is inadequately equipped for its unique contribution, then in the long run the entire planning process will eventually falter.

### **Provincial Government**

The situation is somewhat better in the provincial government. The Economic Advisory and Planning Board has developed as a highly useful information and research arm for the Cabinet, but beyond this its contributions are severely restricted. In such government departments as Public Health, Social Welfare, and Natural Resources important forward steps have been taken to create and expand research facilities. In general these are limited and restricted to the internal needs of departments. Certainly no agency exists which is concerned in any comprehensive way with the continual assessment of provincial trends as a general service agency to all departments of the government and to other groups concerned with the development of the economy. Nor, in general, does there appear to be much research beyond the information gathering stage.

Finally the provincial government is making minimal contributions to social and economic research outside government agencies. In other countries government funds are used extensively to support such research in specific fields, but as far as the Commission could ascertain virtually no such projects are being sponsored by this or any other province, or by the federal government.

## **Federal Government**

One of the most extensively used research resources is the Dominion Bureau of Statistics, an agency of the federal government. While a number of criticisms could be made of the data currently available from this agency, it is relevant here to point out that in many ways the services which could be provided by D.B.S. are limited by the ability of the province and university to utilize them. Unless there are research units at the provincial level constantly seeking data for localized analysis it is to be expected that critical gaps will exist in regional census data. Unless demand is created for the missing information, it is not likely to be forthcoming.

The Commission cannot comment on the full role of the Dominion Economics Division since it probably does a great deal of useful research for internal departmental use. Its output for public consumption, however, is quite limited in scope.

## **Local Government**

It is imperative that, as a key link in our democratic structure, local government be effective politically and administratively. Local government not only provides directly a wide range of services, but it also acts as a partner in various ways to the provincial government in providing many more services. Local government is unique in that it provides greater opportunities for the involvement of people than any other level of government. In at least two of its reports the Commission has stressed the need to maintain strong, effective local government as a vital element in our society.

Today, unfortunately, one of the foundations of strong, adequate local government — planning — is gravely deficient. Facilities for the careful assembly of social and economic data are virtually non-existent. Both school and health units have recognized the need for such data in the difficult decisions they are called upon to make. However, no full-time planning resources are available to them. As a consequence only limited data can be assembled. The Agricultural Representative Service has encouraged the development of land use studies. Again, by the very nature of the skills involved, such data have had limited usefulness. Municipalities, charged with the highly important function of constructing road networks, neglect almost completely the importance of social and economic data to proper planning.

## **Voluntary Organizations**

Finally, the situation is little better with respect to voluntary organizations. In the light of the growing importance of voluntary

organizations in guiding democratic governments to action the problem has special significance. The situation with respect to farm organizations is but one of a number of examples which could be chosen. As groups representing the special interests of the farm people, farm organizations must pursue more effective policies and programs for agriculture just as industry and labour each seek to further the interests of the groups they represent. Both industry and labour have very large technical resources available to them. The financial resource utilized by farm organizations for investigation is negligible. There is almost complete dependence upon federal government agencies for basic information. Under these circumstances one of the critical components of effective bargaining power — well documented presentations for agricultural development policies and programs — is missing.

### **Public Understanding and Participation**

Perhaps the most serious deficiency of rural planning and development is the lack of public understanding and direct participation. Under such conditions, in a democratic society, government planning agencies and development of university facilities can have little support from the public generally. Furthermore, development of communities themselves will be highly restricted without an organized, planned attack on problems by the people composing the community.

It is evident that much confusion and apprehension surrounds most discussions of social planning. Social planning in a democratic society is a vastly different matter from that in a totalitarian society. When it is carried out according to democratic principles, it is in fact a movement of, by, and for the people. It is a joint process of self-education, self-direction, and self-expression, rather than a forcible imposition of a system of control by a central power. Democratic social planning is not regimentation; in fact, this is precisely what it seeks to avoid. Regimentation emerges when people are unable to share in the planning process either because it is too far removed from them or is otherwise faulty in its operation. Since sound social planning affects the people, its objectives must spring from them and be understood by them. The procedures of planning must involve people as participants and as beneficiaries.

In essence, the final worth of democratic rural planning rests in the opportunities it provides to the overwhelming majority of people to develop their resources, capacities, security, and amenities at an accelerated pace. The focus of attention is on the people as a whole, not on the needs of the state. Its concern is with the quality of citizens as participants in the processes of self-government.



In a democratic society policies are, in the first place, proposed by the people and judged, finally, by their effectiveness in the daily lives of people. It follows then that the more continuously, the more intelligently, and the more in detail policies are proposed and judged by the people, the better will be the chances of these policies for success. "In other words, policies are outlined by the people in broad sweeping mandates, often inconsistent within themselves and usually very general in terms. The legislative branch of government gives these policies form and, to a certain extent, harmonizes them. The administrative arm develops and administers programs to give effect to the policies. But the well-springs of activity, hope, and enthusiasm necessary to popular government will be tapped throughout all these stages in the flowering of a democratic civilization."<sup>2</sup>

Obviously all citizens cannot participate in all phases of rural planning. Where large numbers of people make direct involvement impossible, we use the principle of representation and assign to the representatives the power to act on behalf of the majority. In highly specialized tasks of fact-finding, technical review, and administration, we delegate authority to experts and specialists. There is nothing in the democratic process which denies the right to use certain skills at any stage in any field of its program of action. Planning objectives and procedures do not always originate on the farm, but in all instances they do need the understanding and approval of people. Representatives and technical or administrative specialists are always in the position of acting as servants of the people. Indeed, one of the challenges to modern democracy today is found in the search for better ways of utilizing this two-way process. In the absence of effective procedures for involving people in the rural planning process, there is grave danger that responsibility will fall, by the default of the people, on the shoulders of the expert.

These principles are basic to the Commission's conception of the planning which is now needed in the development of an integrated and satisfying agriculture and rural life. Many responsible officials are clearly unwilling to trust the people with the responsibilities outlined above. In part this reflects a fear that the demands of the people will become too persistent in terms of available resources. In part it stems from a lack of confidence in the ability of the average citizen to understand the complexities of modern living. Both these assumptions are based on false premises. The goals of rural planning are exactly opposite to that which some officials seem to fear. If planning means what it is supposed to mean then

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<sup>2</sup> 1940 *Yearbook of Agriculture, Farmers in a Changing World*, United States Department of Agriculture, pp. 1167-68.

one of its main tasks is to permit people to appreciate the limits of resources at any given time. As well, the opportunity for the average citizen to understand present day issues will most surely decline to the point where democracy becomes a farce, if we even *now* assume that he is incompetent.

The Commission would insist that democratic planning is a matter of direction from within. It is a matter of facilitating the competition of ideas and the presentation of facts, objectives, and plans in the "market place" of public opinion. Educational procedures and peaceful, honest assessment and argument are the fundamental building blocks of rural planning and development. The accomplishment of this objective is a slow, painful, and expensive step-by-step process. It is not and cannot be a process of arbitrarily establishing visionary, completed, master blueprints, nor is it brought about by some social magic. It is necessary to start with things as they are and deal first with the most pertinent problems. Plans cannot be projected too far into the future, for, with the rapidity and volume of social change already identified by the Commission, they will be outmoded at an early date and cause confusion and discouragement. Furthermore, plans must be confined to the realm in which action is possible; otherwise, the planners lose the people's confidence. Each step should develop out of the preceding step, and each step should be a matter of fractional improvements and partial adjustments as experience increases.

Much of the difficulty associated with understanding the processes of planning for improved rural welfare can be resolved if it can be seen as both a vertical and a horizontal process. Well conceived rural planning streams vertically from the rural community to the province and nation. As it moves vertically it stops at various horizontal "way stations" such as local government, regional centers, and finally at the central depots of provincial and national governments and organizations. At each of these "way stations" the planning process is expanded and new features are added according to the scope of the planning task.

It is the opinion of the Commission that no one of the "way stations" exceeds the importance of the local community. The great importance of this level is that it forms the environment of the day-to-day experiences of people. The importance of the community is based on the persistent willingness of people to join together locally to determine their common welfare. Local roads have no reason for existence except as they serve to facilitate the transportation needs of the community. Schools in turn are community-centered, as are health facilities, recreation and a host of other services. In various reports of the Commission it has been

stressed that community-based administrative units provide one of the most effective means available for integrating the activities of the larger spheres of modern local government with the "natural" areas within which people associate.

It is equally evident that communities reflect directly most of the stresses and strains of the changing rural economy. What better place is there then for people to learn the skills associated with democratic planning and development? It is in this sphere that their interests are most apparent and it is in this sphere that the unintended consequences of individual action have their greatest effects. It also follows that if people — rural and urban — can learn to understand more fully the nature of change in the familiar setting of the community, they are much more liable to participate intelligently in the wider affairs of local, provincial, and national government. Indeed, one of the early lessons which any community will learn as it sets about putting its house in order is the fact of interdependence: the interdependence of communities when one community is negligent of its moral responsibilities and acts as a "cesspool" for the young people in surrounding communities; the interdependence of community and government when interconnected road systems are needed for an integrated educational system. It is in the community that voluntary provincial and national organizations — the farm organization, the Homemakers, the Home and School Association — find their wellsprings of leadership.

It is to the most serious detriment of democracy that we have not yet recognized the essential contribution of the community to the entire process of self-government. Our society is an extremely complicated one, and planning is a difficult and complex process. We need vastly more efficient planning in government than we have, but a vast area of opportunity for improved human welfare lies within the control of communities themselves. No amount of government planning can take the place of the high morale of a community which knows itself and where it is going. No one other than the members of a community can make it a place of beauty, not just in its physical aspects — its trees, its buildings, its parks — but also in its social and psychological aspects. Any community with vitality is teeming with the activities of voluntary associations of its citizens: service clubs, church groups, recreational organizations, 4-H clubs, agricultural societies, farmers unions, co-operative associations, boards of trade, and dozens of others. It is when these groups learn to work together under the circumstances of modern rural living that the insights into and identification with the processes of local and central self-government come to life and thrive.

The dismal fact remains that very little is being done to extend to communities the type of technical aid without which



modern governments would quickly collapse. An important exception is the valuable work performed by the Community Planning Branch. Yet communities are faced with technical problems of planning no less difficult than local or higher levels of government. When community life is disintegrating as it most certainly is in countless small Saskatchewan communities, outside aid is needed to assist in community self-analysis, study and action. While it may be argued that any number of technical specialists are available to the community today — health educators, agricultural representatives, adult education specialists, welfare workers, and others — the fact remains that in a majority of instances these specialists are of necessity working with only isolated segments of the whole community. Seldom is it possible for them to work with more than the symptoms of problem situations, for the solutions to many problems lie in a unified approach to all of the community's difficulties. If poor health or low retention in school is related to levels of living, then in the long run it is level of living that needs to be tackled before these other problems can be resolved.

A further unfortunate consequence of the existing segmented approach to community development is that technical specialists must persuade the people of a community to recognize their services. This is quite contrary to the established principle that people will respond to assistance very slowly unless they can persuade themselves that something is wrong and needs corrective action. In fact when democracy is alive in the average community, it is the community which ought to signal its needs for technical assistance.

For all of these reasons the Commission will propose that one of the basic facets in rural planning and development will be found in helping people to help themselves in the whole communities in which they live and to recognize what sound government can do. If this is done soon enough and on an extensive enough scale, with proper regard for sound principles, then a dynamic element in rural progress will be further strengthened.

## **An Approach to Rural Planning and Development**

A new and modern task requires new and modern tools; a spirit of enterprise and a creative outlook are necessary in devising the mechanics of getting things done. What is happening in rural Saskatchewan today is most certainly presenting tasks which would have been regarded as visionary a few decades ago. The concept of striving to direct, control, and adjust to vast social and economic changes to the end that rural welfare will be promoted presents problems of method too substantial to be ignored or passed over

lightly. The methods chosen may thwart any hope of achieving unity if they are not well adapted to the principles outlined in the previous section. However, the problem of method does not end with specification of what is to be done; it must also be carried forward to the point of fixing responsibility for results. It is to this aspect that the Commission now turns its attention.

It should now be clear that, in the Commission's opinion, defining responsibility for a more comprehensive approach to rural development involves going beyond the machinery of government and supplementing it at a number of critical points. The intention, however, is not to displace that which now exists so much as it is to increase its effectiveness. In most instances the organization for a more energetic approach to planning and development is already operating; in other instances additional agencies will be required. Furthermore, in the interests of a flexible and decentralized approach, the Commission has stressed improving the competence of local agencies rather than those of central government, although these too are in need of attention.

### **A Provincial Conference on Rural Planning and Development**

In initiating any new approach to rural planning and development based on democratic procedures, there is no substitute for popular understanding and support. The voluntary organizations of the province, together with provincial and local government and university, are in effect the "gatekeepers" who determine what is feasible at the local level. In keeping with the principles under which this Commission functioned, every effort was made to obtain direction and advice from the people and their representatives. It was an effort which enriched the Commission's information at many points. It would appear logical now to reverse the process. A conference should be held to present to these provincial agencies the findings and recommendations of the Commission. This would be for the purpose, not of propagating the views of the Commission, but rather of facilitating the normal processes of discussion and debate out of which better policies and programs are shaped in a democratic society. The Commission would urge that this conference be held in the fall of 1957.

Beyond the communication of the Commission's work, and probably more important, would be the provision of opportunity for frank discussion of the need for giving direction to events in our rural areas in the next several decades. The Commission has in mind the particular urgency which is associated with various institutional transitions now in process.

No attempt is made here to anticipate or suggest courses of action which may arise from the conference, beyond the decision to organize widespread study of the Commission's reports. Suggestions have been made for some kind of continuing body to be concerned with the whole scope of rural problems. Rather than make any recommendations on this point, the Commission has concluded that such development must be based firmly on the deliberations and decisions of the conference and the public discussions which it anticipates.

### **Province-Wide Study of the Commission's Reports**

Beyond the provincial conference on rural planning and development, attention should be given to the provision of widespread opportunities for public study of the Commission's reports. Again it was a conscious part of the Commission's approach to provide every opportunity for farm families to place their broad experiences with rural change before the Commission. The response was an overwhelming demonstration of the interest and willingness of farm families throughout the province to undertake activities holding promise for rural betterment. Province-wide study of Commission reports would simply complete a cycle already begun. The purpose would be to report back to the farm families of the province.

The approach to local study should, however, go beyond the communication of Commission findings and recommendations. It should also stimulate farm families to ponder upon the application of the Commission's findings to the local community situation. It should seek to stimulate interest in the findings of further facts on the local situation. It should create interest in a more careful assessment of local human and physical resources. Once communities throughout Saskatchewan have done these things, then the larger and more basic questions of what they can do for themselves and what aid they need from the outside will confront them. This is the essential starting point for any democratic approach to rural planning and development. Unless farm families can be helped to see the larger picture in terms of their own situations, the best of plans may come to naught.

Some useful study experience is already available to the province. During the winter months of 1956 and 1957 the Saskatchewan Wheat Pool and the Saskatchewan Farmers Union assisted some 60 communities throughout the province in the organization of community forums. These forums were organized entirely on the initiative of the communities, and the reports to be studied were selected by the communities. The representatives of the Pool and



Farmers Union avoided in any way defending or criticizing the Commission's point of view. Their primary task at the forums was to present the Commission's findings and recommendations as they appear in the official reports and summaries. They were to leave to local citizens and resource personnel the task of agreeing or disagreeing. Only in this way would it be possible to utilize the forum as an educational approach to rural development.

This community appraisal is, in the opinion of the Commission, by far the most important contribution to be made by its reports in the immediate future. The subject of what is happening to our rural areas is being widely discussed. Farm families know that they are going through difficult adjustments and they know that a new form of agriculture and rural life is emerging. It is in times of rapid change that the need for the best information available becomes imperative. All too frequently confusion in public thinking contributes to regression in public policy under such circumstances. In accepting invitations to present its views from many communities throughout Saskatchewan, the Commission has been impressed by the number of times that appreciation has been expressed for the opportunity to have someone give the "big picture." People have remarked that they knew these changes were going on but they had "never tried to put them all together."

If possible, the approach to the province-wide study of Commission documents should grow out of the proposed provincial conference on rural planning and development. The extent to which province-wide study will be feasible depends largely upon the number of provincial organizations willing to place their resources in support of the project. Furthermore, it will be the provincial leaders of the province who will, as was true of the Wheat Pool and Farmers Union experiences, provide the most valuable educational resource on which the project will depend.

### **A Center for Community Studies**

The Commission has already underlined the significance of the community as the focus of rural change and as one of the primary resources in any democratic approach to development. Three components in the role of the community itself can be identified. The first identifies the skills and organization required within the community before the forces of change can be understood and opportunities for directing these forces fully utilized. The second and closely related component has to do with the extent to which scientific knowledge is developed and brought to bear on the processes of community development. The third involves the skills of those professional personnel whose day-to-day responsibility it is to

work with communities in their specialized capacities. Each of these aspects requires careful attention in any long-term approach to community welfare.

It must be said again that there are no means by which the people living in Saskatchewan's communities could make a more worthwhile contribution to themselves, and to the stability and welfare of the province, than through a concerted effort to improve and strengthen their own communities. In an earlier day this was a relatively simple matter. Everyone knew all his neighbours. Problems were local in nature and there were few things to attract attention away from the community. Furthermore, organizations were limited in number and almost everyone belonged to them. Today the situation is quite different. The automobile has directed people's attention away from the community. Problems, once local in nature, have now broadened to include much that is beyond the community. Organizations have not only increased in number but they have also become more specialized in interest. No longer is it possible for everyone to belong. Declining populations have in turn increased competition for available leadership. Finally, the emergence of the larger trade-centered community is causing major shifts in neighbourhood and community affiliations. These and other factors of change are having a centrifugal effect on community living. The result is that community building in this day and age is an infinitely more complex process than it was a few decades ago.

Before the modern community can play its proper role in rural planning and development, it must find itself. Before it can do this, new approaches must be applied to the process of assessing existing community resources and problems. This is not a job for the few; it is a job in which everyone must have a share. Not only must communities reassess their human and physical resources but they must also learn skills which will lead them on to undertake positive action in rebuilding their communities.

This difficult responsibility is one which few communities can carry alone. The process of community assessment or self-study must be done according to carefully worked out procedures if it is to have constructive results. Lacking such procedures, early discouragement will result. Furthermore, the process of moving from study to action involves problems of timing, judgment, and skill. Leadership training and guidance become essential in any community striving for progressive improvement in human welfare.

Experience in the United States, and more particularly in the less well developed countries of the world, has demonstrated that communities, no less than governments, are in need of technical assistance in the modern process of community development. Such

expert assistance is provided for one reason alone; to help people to help themselves. To do this and no more imposes difficult responsibilities on technical personnel. To lead and not to dominate is never easy.

It will not be enough, however, just to provide technical assistance to communities willing to undertake a self-development program. Despite remarkable advances in the social sciences we do not yet know enough about the community development process. Unless community development technicians or consultants can be backed up by competent and expanding programs of applied social research, important leads to new opportunities will not be forthcoming.

We are a people inclined to take the democratic process too much for granted. Little is known about how this process works or can be made to work better under modern conditions of technological change. Not only must we have more reliable facts on social and economic change but also more reliable insights into the processes whereby people on their own initiative undertake to control and direct that change in the community laboratory.

Finally, professional workers — agricultural representatives, health educators, teachers, social welfare workers, and others — who work with communities on a day-to-day basis are in need of greater understanding of their role as experts in selected aspects of community living. Indeed it is they who must carry a major part of the burden of helping people to help themselves. To do this we need a better understanding of community attitudes towards such expert assistance. In turn we need better understanding of the expert's attitude towards his community responsibilities. To accomplish these things requires better professional training in human relations.

Three tasks, then, must be recognized before the modern community can secure the unity and stability required for its central role in rural development and planning. Communities throughout the province need help in finding themselves through self-study and action. Such a process will require technical personnel who are themselves highly skilled in community development. Before this phase, however, an expanded program of applied research will be needed to increase our scientific insight into the problems involved when people undertake self-help programs. Finally, professional workers already located in communities throughout the province have recognized the need for new opportunities for professional training in the social sciences before they can play their most effective role in rural planning and development.



To initiate activities in each of these three aspects the Commission proposes that a Center for Community Studies be established at the University of Saskatchewan. It should be given full responsibility to develop community research, to provide consultants to communities on request, and to create opportunities for the training of professional personnel. The Commission will also propose that the Center should be sponsored jointly by the University and the Government of Saskatchewan. Its activities should be directed by an appropriately constituted board.

While the work of the Center should proceed on an experimental basis for the first few years the objective should be the establishment of a major program of applied social research, technical consultation on community development, and a provincial center for professional in-service training in the social sciences. The center's primary purpose should be to extend to communities a form of technical assistance which is nowhere in existence in Saskatchewan today. Once successfully established, such a center will occupy one of the most strategic positions in the long-term development of Saskatchewan's communities.

### **A Department of Social Science at the University of Saskatchewan**

The problems of social and economic change are basically the subject matter which the social sciences seek to understand. The principal divisions of the social sciences include the following:

- 1) Sociology, which seeks to understand the structure and function of society's major institutions — the school, the church, government, the family, and so forth.
- 2) Social anthropology, which focuses attention on the culture of society — the deep rooted ways of thinking and doing.
- 3) Social psychology, which is concerned particularly with the social development of the individual members of society — their attitudes, opinions, and values.
- 4) Political science, which seeks to understand the way in which our political structures function.
- 5) Economics, which concentrates on the processes of production, consumption, and exchange.

All of these sciences together hold great promise for an expansion of scientific knowledge into some of the most perplexing problems facing modern society. Indeed it would not be too far fetched to state that the key to the survival of our democratic institutions might well rest on rapid advances in the social sciences.

The Commission has indicated in an earlier section that beyond a limited development of economics and political science, very little has been done to develop strong programs in sociology, social anthropology and social psychology in Canada. In common with most other Canadian universities, the University of Saskatchewan is lagging seriously in accepting this profound responsibility to modern society. Much has been said elsewhere about the dangers of turning out professional personnel, well trained in the physical sciences, but with limited conceptions of the nature of the society in which they must live and presumably provide leadership. Another aspect urgently in need of careful study concerns the social consequences of advances in the physical sciences.

It seems particularly serious in any consideration of rural development and planning that such limited experience is available in the provincial university for those who will spend their lives attempting to cope with the human aspects of the rural environment. In the long run the citizens of the province with advanced training will exert a strong influence upon the development of effective approaches to the needs of a changing society. Such training cannot be provided in all its necessary aspects unless backed by a continually expanding program of basic research into human behaviour as it operates in and on the social and economic environment.

In the light of this situation, the Commission proposes that immediate steps be taken to establish a strong department of social science in the University of Saskatchewan. It will be particularly important to see that such a department is staffed by highly qualified social scientists and that wherever possible the studies and teaching of the department be closely correlated with the work of the proposed Center for Community Studies.

### **Provincial Government**

The dearth of social and economic facts and analysis revealed by the studies of this Commission has been evident throughout its reports. Although its studies have provided a broad assessment of the social and economic situation in rural Saskatchewan, no pretence can be made of having accomplished anything more than an exploratory analysis. There is an urgent need for more and better facts and analysis on a multitude of pressing problems if wise social and economic policies are to be developed in the decades ahead.

Not only is the problem one of a need for more and better facts on situations now known to exist; there is also the problem of continually assessing the situation as it develops in the future. At the very minimum, provision should be made for bringing the

reports of the Commission up to date as data become available following each Census.

As indicated in an earlier section, only limited provision is now made for this through the Economic Advisory and Planning Board of the Saskatchewan Government. The Commission is convinced that a central bureau or department of economic and social development is now needed. Its first task would be to develop a function somewhat analogous to the Dominion Bureau of Statistics. Such an agency would not only ensure a greater flow of information to the provincial government but would also assist local governments and communities in the broad description of rural trends.

This basic function of fact-gathering is essential to the central task of economic and social research which the agency would perform. It would undertake comprehensive studies of the Saskatchewan economy and society. It would also provide departments and non-governmental agencies with technical assistance and undertake studies where research resources were limited.

The existing Community Planning Branch of the Department of Municipal Affairs, as an agency concerned more with the locational, functional and aesthetic aspects of planning, should be expanded from its rather narrow urban focus to include problems of rural areas, rural-urban problems, and the general problem of planning certain public services.

In addition to central agencies, consideration should be given to further expansion in the establishment of research agencies in each of the departments of the Government which do not now have such personnel. This is proposed to make available to departments, responsible for vast expenditures of public funds, specific departmental research which is indispensable to policy development, planning, and evaluation in modern government.

### **Provincial Organizations**

If an organization is to be effective in critically evaluating social and economic policies affecting its interests, its case must be based on pertinent and accurate information and analysis. The farm organizations provide a special instance of the difficulties associated with this task. To the extent that farm organizations are not unified, and to the extent that they do not have available to them an expanding volume of the best economic data describing the agricultural situation, their effectiveness will almost certainly decline in terms of impact upon public policy. Financial resources are, of course, essential. Nevertheless, under the complex conditions in



which they must function today, a well documented case becomes an essential element in increasing the bargaining power of organizations. This example could be extended to include most of our provincial organizations. Methods of presentation which were well adapted to a simpler age can no longer be fully effective in persuading governments, when governments themselves are infinitely better able to command the necessary informational resources. It is essential, therefore, that these representative organizations explore every possibility of raising the necessary funds and pooling resources to develop adequate research facilities.

### Local Government Reorganization

The last essential link in the chain of responsibility for rural planning and development is local government. The Commission can only suggest that until the present confusion in the relationship between units of local government is clarified through the establishment of either the modified or full county system, a serious obstacle to integrated rural planning and development will persist. Municipalities, larger school units, agricultural representative districts, and health regions occupy the positions which control access to most of the major planning needs of rural Saskatchewan.

\* \* \*

In summary the Commission recommends:<sup>3</sup>

**Recommendation No. 1.** That in the fall of 1957 a conference be held of all voluntary organizations interested in rural development, provincial and local governments, and university representatives to consider the reports of this Commission. The conference might:

(a) Utilize Commission reports as a basis of considering ways and means of ensuring adequate rural development;

(b) Initiate and plan a widespread community forum process for the purpose of studying Commission reports and rural problems in general;

(c) Develop a permanent agency or council concerned with rural problems.

**Recommendation No. 2.** That a Center for Community Studies be established at the University of Saskatchewan, jointly

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<sup>3</sup> In addition to these recommendations the Commission has recommended conferences of a special nature (see Appendix I, recommendations 3-22, 5-5, 6-9, 6-51, 8-19). The Commission also identified some of the specific needs for research and information (see Appendix I, recommendations 6-25, 8-4, 8-12, 8-13, 8-31, 10-8, 12-1, 13-4).

sponsored by the University and the Government of Saskatchewan and directed by an independent board.<sup>4</sup>

The functions of the Center would include:

(a) Development of effective techniques for community improvement through applied social research;

(b) Provision of technical consultants to assist communities in self-development;

(c) Creation of opportunities for the training of professional personnel.

**Recommendation No. 3.** That a department of social science be immediately established at the University, and that its studies and teaching be closely correlated with the work of the proposed Center for Community Studies.<sup>5</sup>

**Recommendation No. 4.** That economic and social research, information, and planning facilities in the provincial government be strengthened by:

(a) Establishing a Bureau or Department of Economic and Social Development;

(b) Expanding generally the research facilities in each department to facilitate development of policy, planning programs, and evaluation;

(c) Expanding of the services provided by the Community Planning Branch.

**Recommendation No. 5.** That voluntary organizations make every effort to develop their own research facilities either individually or through pooling resources among organizations with kindred interests.

**Recommendation No. 6.** That local government be reorganized in accord with the Commission's earlier recommendations.

\* \* \*

The Commission would conclude this final report with a strong plea for a mature approach to planning and development. It is true that, in the past, conditions have improved with little organized, conscious effort on our part to plan and alter our destinies. But, for the future, our prospects are considerably less bright unless we solve our persistent present difficulties and forestall potential problems as they may be anticipated. The problems of chronic low

<sup>4</sup> See also Appendix I, 4-32.

<sup>5</sup> See also Appendix I, 6-47.

incomes, of economic insecurity, of social dislocation, of the whole range of inequities which, in fact, constitute social discrimination in one form or another — none of these can really be solved without the democratic weapons of individual, local, provincial, and national understanding, planning, and development.

This is the real challenge facing all of us; not merely to maintain the economy in the future as it has functioned in the past, but to guide it along the path of necessary fundamental changes within a framework of social progress.



## APPENDIX I

### COMPLETE LIST OF COMMISSION RECOMMENDATIONS

#### 2. MECHANIZATION AND FARM COSTS

*The Commission reserves for later reports its recommendations on all but a few aspects of farm mechanization. Mechanization, although perhaps the most dramatic, is only one of a number of factors related to changes in agriculture and rural life. Therefore, the emphasis in this study is on conclusions rather than recommendations. Related recommendations are dependent upon the presentation of further evidence emerging from studies of specific agricultural problems. For example, resolving the growing demand for farm credit resulting from mechanization requires extensive knowledge of the existing farm credit system before recommendations can be fully substantiated. Similarly, recommendations related to the growing inflexibility of the costs of production are to be supported by further information contained in the Commission's report on Farm Income. Therefore, specific recommendations based on the conclusions presented in this report are deferred for consideration in the Commission's reports on Farm Credit, Markets and Prices, Crop Insurance, Farm Income, Movement of People, Rural Education, Service Centers, Rural Roads and Local Government, and Farm Electrification.*

#### Machinery Manufacturing and Distribution Costs

*The Commission wishes to direct attention to the implications of this study for the farm equipment and repair manufacturing industry and its distributing system. While the Commission had neither the appropriate powers nor the time to extend its studies into a situation national in scope, it is apparent that (1) machinery costs are now looming large as a factor influencing the security and stability of agriculture, and (2) there is evidence of extensive public concern over what are considered to be excessive prices. Recognition must be given to the important contribution made by the manufacturing industry and machine distributors in facilitating the full mechanization of farming in Saskatchewan. The time has now come, however, when the welfare of both the farmer and the manufacturer may well be threatened unless the manufacturing industry adopts a forthright policy of reducing costs due to duplication in manufacturing and servicing. Although individual firms may be striving for efficiency in distribution, the excessive overhead of duplicative and costly service structures imposed by present sales policy is, in the opinion of the Commission, a major factor in explaining high costs. This is a matter with which the industry itself must struggle if it is to fulfill its present responsibilities.*

*The Commission has briefly studied the experience of the farmer-owned Canadian Co-operative Implements Limited, and it is apparent that with increased patronage not only could the services of this organization be greatly extended, but a substantial portion of the costs of farm equipment could be returned to its farmer-members in the form of dividends. Concern is therefore expressed by the Commission that farmers have not sought to realize these advantages to a greater degree, and it is recommended that farm organizations and the co-operative movement intensify their efforts in persuading farmers to recognize the opportunity available to them through increased patronage of their own organization.*

*On the basis of its examination of previous investigations into the farm equipment industry, the Commission recommends that, should any further studies be considered in the future, specific attention be given to a thorough analysis of the economies to be realized through one or more of the following alternatives: (1) reform within the farm equipment industry and distributing system as it now exists; (2) co-operative manufacturing and distribution; (3) nationalization of the industry.*

### 3. AGRICULTURAL CREDIT

#### An Integrated Federal Farm Credit System

*In order to achieve an integrated, sound farm credit system, the Commission recommends:*

1. That in view of the growing importance of national agricultural policy, the opportunity to increase the total national product, the greater federal fiscal capacity, the prevalence of farm credit problems in all agricultural regions, the existence of national farm credit programs, the greater opportunity to distribute loans nationally to reduce risk, and the existence of a competent Veterans' Land Act Administration experienced in the provision of establishment and development credit, the Government of Canada be urged to undertake the development of an integrated national farm credit policy and program.

2. That consideration be given to the merit of having the federal farm credit program take the form of a Canadian Farm Credit Administration with two major divisions: one to provide a source of supply of working and fixed capital credit to established farmers; the other to provide a source of working and fixed capital credit to farmers now on uneconomic units (whether owners, tenants, or owner-tenants), to beginning farmers, and to formally organized partnerships and co-operatives.

3. That, in view of the advantages of integration and the potential economies in administration, consideration be given to the merit of merging the present administrations of the Farm Improvement Loans Act and the Canadian Farm Loan Board into a division of the proposed Canadian Farm Credit Administration with a continuation of administrative responsibility for the normal credit needs of established farmers.

4. That the Veterans' Land Act Administration be merged into the administration of the proposed Canadian Farm Credit Administration as an Establishment and Development Farm Credit Division, this Division to assume responsibility for the supply of credit to those with limited security in addition to the program for veterans.

5. That designation of the Federal Government as the appropriate agency to assume responsibility for the proposed farm credit program be considered part of the general task of defining an appropriate distribution of responsibility between Federal and Provincial Governments, and that this proposal be considered at the next Federal-Provincial Conference on fiscal matters.

## Ensuring a Satisfactory and Continuous Flow of Farm Credit on Terms Adapted to the Conditions of Agriculture

### Working Capital Credit

*In view of the suitability of chartered banks and credit unions as sources of working capital credit, the Commission recommends:*

6. That farmers recognize the value of making more extensive use of banking facilities in conducting their business and that these agencies give greater attention to their strategic role in encouraging the wise use of credit.

7. That chartered banks give special consideration to the opportunity to increase the usefulness of their services in extending short- and intermediate-term credit through one or more of the following devices: in-service training programs for bankers with emphasis upon the management problems of modern farm enterprises; conducting research designed to increase understanding of the contribution of credit to production efficiency; the appointment of farm management specialists located at convenient centers to advise rural bankers on special problems of farm credit and to develop an appropriate credit information service to farmers.

8. That, in view of the current trend towards a more mobile farm population and an expanding community, special study be given



by the credit union movement and banks to the recommendations contained in the Commission's report on Service Centers.

9. That communities recognize and take advantage of the opportunity to engage in much more extensive pooling of their financial resources through credit unions and that local farm groups be encouraged to sponsor programs on farm business management and the proper use of farm credit.

10. That the Department of Co-operation and Co-operative Development, the Credit Union League, and the Co-operative Union of Saskatchewan intensify their efforts in encouraging farm families to establish credit unions and to pool their financial resources provided that special attention be given to:

(a) Present and potential credit services and financial resources in the area which each credit union is intended to serve,

(b) The development of sound credit union management through specific training and advisory services with special emphasis on the proper use of farm credit, and

(c) Effective membership participation in the determination of credit union policies.

11. That every effort be made to facilitate the early operation of the National Co-operative Credit Society.

12. That the Saskatchewan Retail Merchants' Association and Federated Co-operatives Limited be commended for their efforts to discourage the use by consumers of credit from retailers; and that

(a) Continued and careful attention be given to ensuring that short-term credit previously provided by retailers will be replaced by credit from credit unions, banks, or by government emergency measures,

(b) Farmers give more attention to the advantages of paying cash for their retail purchases and that where credit is required they make use of credit union or bank services rather than attempting to obtain credit from retail stores,

(c) Retailers be urged to pass on to customers, through lower prices, the savings realized from conducting business on a cash basis.

13. That the Government of Canada be urged to establish the Farm Improvement Loans Act as a permanent feature of the proposed Canadian Farm Credit Administration; and that the following amendments in existing legislation or regulations be considered in order that the Act may become a more effective instrument in satisfying working capital requirements of the agricultural economy:

(a) The introduction of budgeted loans which would decrease the cost of credit to the farmer, provide an additional check on the use of loan funds, and encourage home improvements and improvements in production programs by farmers,

(b) The introduction of longer repayment periods for loans for machinery, the productive life of which extends beyond the present three-year loan limit,

(c) The extension of the Act to owners who do not actively operate a farm but who desire to make permanent improvements on their tenant-operated farms, and

(d) The extension of the Act to permit father-son and other formally organized partnerships and co-operatives to obtain group loans in instances where such groups are in a position to provide the necessary collateral;

and that more effective publicity be undertaken by those who administer the Farm Improvement Loans Act to ensure that farmers are fully aware of the usefulness of credit for purposes other than the purchase of farm equipment.

### **Consolidation of Debt Adjustment Legislation**

*In view of the public protection given by debt adjustment legislation against foreclosure for reasons beyond the farmer's control and in view of evidence which indicates that such legislation does not unduly restrict the availability of credit, the Commission recommends:*

14. That the provisions of existing farm security and debt adjustment legislation continue in effect but that existing legislation be consolidated in the interest of broader public understanding and ease of reference; and that, wherever possible, debt adjustment be associated with sound credit and supervision programs for re-establishment where merited.

### **Fixed Capital Credit to Established Farmers**

*In view of the continued importance of fixed capital credit, the Commission recommends:*

15. That the important contribution of the Canadian Farm Loan Board in satisfying the fixed capital credit needs of established Saskatchewan farmers be recognized; and that the Government of Canada be urged to give consideration to the following improvements in the operation of the Canadian Farm Loan Board:

(a) Provision for wider publicity and experiment with existing provisions for the encouragement of family farm transfers where the father and/or son have access to sufficient collateral to satisfy the requirements of the Board,

(b) Provision for the introduction of greater flexibility into the terms of repayment,

(c) Restriction of security for maximum loans to land, in order to permit chattel mortgages to secure loans for working capital,

(d) Extension of credit to established partnerships and production co-operatives on the basis of their larger operations and number of members where collateral requirements can be satisfied.

### **Establishment and Development Credit to Those With Limited Collateral**

*In view of the fundamental importance of establishment and development credit to agriculture and the excellent administration of the Veterans' Land Act, the Commission recommends:*

16. That the administrative practices of the Veterans' Land Act Administration become the general pattern for the proposed Establishment and Development Farm Credit Division with emphasis upon:

(a) The selection of candidates who can clearly demonstrate good management ability, access to a required minimum of working capital (equivalent to the 10 per cent V.L.A. requirement), and opportunity to secure adequate productive resources (land, livestock),

(b) The careful supervision of all loans extending from the date of application to the final payment of the loan with special attention to farm and home planning wherever the circumstances so require, the degree of supervision to vary with the qualifications and management abilities of the applicants,

(c) The purchase of land which can be obtained at a price near the long-run productive value to restrict undue inflation of land prices,

(d) The encouragement of intensification of present resource use where possible (through irrigation, use of fertilizers, special enterprises, diversification, and so forth),

(e) The full encouragement of father-son transfers or partnerships on the basis of carefully defined legal contracts,

(f) The full encouragement of rental arrangements on the basis of carefully defined legal contracts of adequate length which offer security, where this will permit the necessary expansion of production resources,

(g) The encouragement of production co-operatives where such co-operatives have satisfied the requirements of incorporation and adequate management arrangements.

17. That, in view of the special nature of establishment and development credit, consideration be given to the following features:

(a) The extension of sufficient working and fixed capital credit so that borrowers are established on adequate farm units,

(b) Restriction of security for loans for acquisition of land to a mortgage on land and buildings to free other assets to secure loans for working capital,



(c) The extension of loans for fixed and working capital by the same agency to permit sound advice and supervision,

(d) Flexible repayment terms (crop share) to fit the income pattern of the borrower with provision for prepayments with commensurate reduction of interest,

(e) A thirty-year loan period to reduce to manageable size the annual payment required by large loans, with provision for the refinancing of such loans through the division of the proposed Canadian Farm Credit Administration for established farmers or through other agencies when the farmer can qualify for a loan as an established farmer,

(f) Interest rates on loans sufficient to cover the administrative and borrowing costs of the lending agencies and to provide for a reserve fund to cover losses in the event they occur.

### **Emergency Credit**

*In view of the consequences of an undersupply of capital on many Saskatchewan farms when combined with a serious income decline such as occurred in 1954, and the absence of a program of Crop Insurance, the Commission recommends:*

18. That continued attention be given to the need for emergency credit during the peak production periods of seeding and harvest.

19. That the Saskatchewan Wheat Pool be commended for initiating the principle of periodic economic conferences to review the farm situation, but that some attempt be made to supplement the information available to such conferences through actual field sampling of a small but representative group of farmers, such sampling to be carried out immediately before peak burdens on farm financial resources.

20. That the Provincial Government be commended for its prompt response to the present emergency credit situation through increased provision of provincial guarantees to municipalities for local assistance and that, should the situation become more serious, consideration be given to: (a) the further extension of provincial guarantees to municipalities or other means to provide for other emergency expenditure and/or (b) the institution of a federal emergency credit program.

### **Building Up Farm Business Management Ability Through Agricultural Extension**

*In view of the growing importance of farm business management and the use of farm credit, and in view of the almost complete absence of emphasis upon farm business management and the proper use of credit in existing extension programs in Saskatchewan, the Commission recommends:*

21. That special consideration be given to the recommendations on agricultural extension and research presented in the Commission's report on Farm Income.

22. That at the appropriate time a conference be called by the Government of Saskatchewan to include representatives of credit and extension agencies and other groups interested in encouraging the proper application of credit in agriculture with the objective of studying the reports on Farm Credit and Farm Income of the Royal Commission on Agriculture and Rural Life.

#### 4. RURAL ROADS AND LOCAL GOVERNMENT

*The Commission has been unable to formulate any practical proposals for strengthening the present nine-township municipal system. It has selected two workable systems which it can recommend with confidence. These two systems will satisfy the basic requirements of strong local government. The following recommendations spell out the essential characteristics of the selected systems. Too much emphasis cannot be placed on the interdependence of the recommendations. There is no magic about the systems of local government outlined by the Commission; it is the net effect of all the proposals which gives assurance of new vitality in local government. If any of the following proposals are not implemented or if they are compromised, then the selected system will be weakened accordingly.*

##### **Fundamental Reorganization of the Municipal System**

*In view of the evidence of the inability of the present municipal system to satisfy the urgent need of the farm people of Saskatchewan for a network of durable rural roads and in view of the many dislocations and inadequacies traceable to the present system, the Commission recommends:*

1. That the reorganization of the present municipal system into the modified county or the full county system, as defined in this report, be undertaken by the Government of Saskatchewan under the constitutional powers vested in it by the British North America Act.

2. That in view of the fundamental and immediate importance of early reorganization of the present municipal system to the welfare of the people of rural Saskatchewan and to the constructive future development of the rural economy, and in the light of the new and comprehensive information presented in this report, every effort be made to undertake reorganization with the positive and responsible support of the elected representatives of the people regardless of political faith and of the organizations of the province regardless of special interest.

3. That in view of the need for a unified and non-partisan approach to the fundamental issues, every practical measure be taken to ensure the unbiased and careful study and discussion of the proposed changes, with special attention to the calling of a planning conference by the Government of Saskatchewan of all interested provincial organizations for the purpose of:

(a) The establishment of procedures for encouraging an informed public through extensive community forums for the study and discussion of the proposed changes with particular emphasis on the positive leadership to be provided by all political parties, the Saskatchewan Association of Rural Municipalities, the Rural Municipal Secretary-Treasurers' Association, the Saskatchewan School Trustees' Association, the Saskatchewan School Unit Secretaries' Association, the Saskatchewan Teachers' Federation, and farm organizations, and

(b) The establishment of procedures for a further conference of provincial organizations, to be held under the independent sponsorship of the University of Saskatchewan after the completion of community forums, to examine the Commission's proposals and to advise the Government of Saskatchewan on their implementation.

4. That if the Government, after taking into consideration Recommendation No. 3, should in its wisdom decide to proceed with the proposed reorganization, a Local Government Boundaries Committee be appointed with representation from organizations directly concerned with municipal reorganization.

5. That the Local Government Boundaries Committee be authorized to make recommendations on the following matters:

(a) Common boundaries for municipal and school districts in all parts of the province that enjoy local government at present with due regard for other related local administrative areas now in existence. The assumption is made that on the average this will require combinations of a minimum of six of the present municipalities with regional variations. The boundaries should be determined by optimum combinations of the following criteria: functional trading areas, assessment, farm population, existing boundaries, administrative and local political requirements, and the utilization of provincial financial and technical resources. As an essential part of its deliberations, the Committee should hold hearings throughout the province at which municipal and school officials and other interested persons may present their views on the proposed boundaries and in general should encourage the widest possible public discussion of proposals to the end that unique local factors may be given full consideration.

(b) The incorporation of existing Local Improvement Districts wherever the situation favours their inclusion.

(c) A method for the distribution of the assets and liabilities of school and municipal districts where any part is severed from existing school units or municipalities.



6. That when the said Committee has submitted its recommendations to the Government and the Government has acted on the recommendations, the modified or full counties be instituted throughout the province without delay.

### **Election of Representatives**

*In view of the importance of ensuring the democratic control of the proposed reorganized units, the Commission recommends:*

7. That in each established county six to ten electoral divisions be defined taking into account existing local neighbourhoods.

8. That if the modified county is selected, similar electoral divisions and parallel election procedures be instituted for school and municipal governments.

9. That in either system, the term of office for all elected officials be not less than two years, with provision for election in the odd-numbered electoral divisions in alternate years, and that the Chairmen or Chairman be elected from and by the elected members of the boards or board.\*

10. That in general the method of election prevailing in the present municipalities be adopted whether the modified county or the full county is the selected system, with special consideration to the merit of introducing preferential balloting.

### **The Establishment of Committees**

*In view of the need to ensure proper attention to matters of standing importance, the Commission recommends:*

11. That if the modified county system is selected, statutory provision be made for the appointment of standing school-municipal committees on finance and area planning.

12. That if the full county system is selected, statutory provision be made for the appointment of standing committees on each or a combination of the following matters: education, public works, agriculture, social welfare, and area planning.

### **Financial Relationships**

*To overcome a number of deficiencies which if continued would hamper proper financial relationships, the Commission recommends:*

13. That legislation be introduced to prohibit the practice of divisional apportionment of funds under the reorganized system, with the provision that the practice of divisional apportionment shall disqualify a municipality from participation in any program of provincial grants-in-aid.

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\* Commissioners Phelps and Baker dissent from this recommendation and submit that the Chairmen or Chairman should be elected at large.

14. That if the modified county system is selected, an annual joint budget review by municipal and school authorities be made mandatory, and that, on the matter of budget, the right of appeal to the Local Government Board be granted to municipal and school authorities.

15. That under the modified county system or under the full county system, a single agency be designated by statute as the sole selling agency for the debenture issues of all local administrative units within the confines of its boundaries, subject to the existing control and approval of the Local Government Board.

### **Rural Road Planning and Development**

*In view of the urgency of the need for durable roads located to service the maximum number of rural residents and in view of the long-term investment needed for a rural road network, the Commission recommends:*

16. That with the establishment of the proposed modified or county system, immediate steps be taken, with ample opportunity for citizen participation, to complete the classification of all road mileages under the jurisdiction of the reorganized unit to determine what should be a minimum mileage of proper location and standard.

17. That such road classification be completed through the co-operation of the regional advisory offices to be recommended below and the county councils.

18. That on its completion such road classification become the official basis for the determination of road grants-in-aid to be recommended below.

19. That with the completion of the proposed classification, the Government in conjunction with the counties draw up a road construction schedule designed to complete the required road network within a designated period of time.

20. That consideration be given to the decentralization of road maintenance facilities in the modified or full county through the establishment of conveniently located maintenance depots to ensure immediate attention to localized or emergency road maintenance problems.

21. That the market grid system of rural roads at present proposed by the Government of Saskatchewan be considered an emergency measure pending the reorganization of the present municipal system and the full classification of all roads, and that construction of the grid system proceed forthwith except in instances where facilities are so clearly inadequate as to question the wisdom of even the emergency investment of public funds.

## Provincial Technical Assistance

*This Commission considers the provision of provincial technical assistance an essential requirement in ensuring the long-term goals of a reorganized system of local government. Training of road supervisors and municipal secretaries are of particular importance. The Commission therefore recommends:*

22. That immediately prior to the reorganization an intensive program be established for the training of road supervisors and that such training program for road supervisors should be of not less than five months' duration and be jointly directed by the College of Engineering and the Department of Highways, leading to certification by the University of Saskatchewan.

23. That statutory provision be made for the appointment of certified road supervisors in all established counties of the province.

24. That the Provincial Government make provision for a system of grants-in-aid to assist in the appointment of certified road supervisors at salaries which prove attractive to capable young men interested in such a career.

25. That with the establishment of the modified or full county system, the Provincial Government establish a regional road engineering, planning, and administrative advisory service, with offices at regional points, for the purpose of supplementing the technical resources of the counties in each of these strategic aspects.

26. That while the present training program is meeting an important need, training for municipal secretaries be undertaken jointly by the Department of Municipal Affairs and the College of Commerce of the University of Saskatchewan, leading to certification by the University of Saskatchewan.

## Provincial Financial Aid

*In view of the urgency of appropriate organization for the construction of a durable rural road system and the responsibility of the Government to encourage uniform and high standards of service, the Commission recommends:*

27. That with the establishment of the modified county or the full county system in Saskatchewan a program of equalization grants-in-aid be established in the following order of priority: (a) permanent grants of up to one-third of the annual salary of a certified road supervisor; (b) increased grants-in-aid to finance the cost of constructing the total system of new grades of all-weather standard in accordance with the long-term construction schedule of Recommendation No. 19.

28. That the Provincial Government make provision for the establishment of a revolving loan fund for the purchase of road



construction and maintenance equipment by the reorganized units of local government.

29. That as the efficiency of county governments increases to high standards, consideration be given to the provision of unconditional grants-in-aid on the basis of an equalization formula.

### General Recommendations

30. That the Provincial Government continue to impress upon the Federal Government the urgent need for a Federal-Provincial highway program designed to relieve the excessive road construction and maintenance burden of provincial and local governments.

31. That an early study be made of the financial and service situation of the villages and towns in Saskatchewan to the end that their difficulties may be better understood and consideration given to the advisability of encouraging their incorporation into the county system.

32. That in view of the need for continued research and for competent consultation and training on the problems of rural organization, special attention be given to the Commission's recommendations on the establishment of a University Community Technical Service Center to be considered in a later report.

## 5. LAND TENURE: RIGHTS AND RESPONSIBILITIES IN LAND USE IN SASKATCHEWAN

*In its statement of conclusions the Commission has identified a variety of important weaknesses which have developed since the pioneer period in Saskatchewan's land tenure system as a consequence of broad economic and social changes. Here, recommendations are made which are designed to stimulate policies and programs aimed at overcoming these weaknesses. In view of the complexity and tradition-laden nature of the land tenure system the Commission recognizes that the mending process will be difficult. Acceptable proposals must be carried into action through educational programs, legislative enactments and administrative policies. Programs for tenure improvement must be understood and have the whole-hearted support of farm people, for in the last analysis it will be the support of farm people, particularly those who are directly affected, which will determine the success or failure of suggested changes in the farm tenure system. This important consideration provides the foundation for all of the Commission's recommendations.*

## **Establishing Family Farms: The Major Goal in Land Tenure Policy**

*In view of the goal of achieving efficiency in agricultural production, combined with the goals of preserving soil fertility and realizing acceptable standards of rural living, it is recommended:*

1. That all policies and programs designed to improve the circumstances of agriculture and rural life in Saskatchewan be developed in terms of their potential contribution to the realization of family farms, and that family farms be defined as those farms on which the farm operator makes all or most of the managerial decisions, the farmer and members of his family supply most of the labour needed, available farm resources are sufficient to provide the family with an adequate standard of living, and tenure is reasonably secure for the operator and his family.

2. That, since there is substantial evidence that the goal of full ownership is not readily attainable or even desirable under all circumstances in a mechanized and commercialized agriculture, every effort should be made to encourage alternative forms of tenure which, either alone or in combination with ownership, will permit maximum attainment of family farm status as defined by this Commission.

## **Facilitating the Family Farm Through Credit**

3. That, since it provides the most positive and useful approach to long-term family farm development in Saskatchewan, the Commission's proposal for a Canadian Farm Credit Administration be implemented to assist (a) the farmer at present operating an uneconomic farm unit, (b) the beginning farmer, (c) the tenant farmer, and (d) father-son or other partnerships and co-operative farms.

## **Facilitating the Family Farm Through Education and Research**

*In view of the fundamental contribution of adequate information to public understanding and to the formation of public policies designed to encourage family farms, and in view of the present serious lag in the provision of economic information services to Saskatchewan agriculture, it is recommended:*

4. That careful study be made of the Commission's proposals in its report on Farm Income for the development of comprehensive economic research and extension facilities and programs by the University of Saskatchewan, the Saskatchewan Department of Agriculture, and other related agencies.

5. That, since the modern family farm is known to contribute to the security and stability of farm families and communities in

addition to satisfying economic objectives, those organizations of the province interested in advancing a sound philosophy of rural life and encouraging a proper stewardship of the soil be invited by the Government to a provincial conference for the purpose of establishing programs to promote the goal of family farms.

6. That, in view of the growing influence of legal and financial matters on the welfare and security of the modern farm business:

(a) The legal profession of Saskatchewan give intensive consideration to the further definition of agricultural law and to creating an awareness of its importance in modern farming, with particular attention to means of developing advisory services to agencies interested in promoting greater farmer awareness of legal problems;

(b) The legal services of the Saskatchewan Farmers Union be extended to other centers in Saskatchewan as demand and finances permit;

(c) Consideration be given to the establishment of an optional course in agricultural law to be available to students of the College of Agriculture and emphasis to be placed on the importance of legal aspects of farming in the curriculum of the School of Agriculture and other rural short courses;

(d) Bulletins be prepared directing the attention of farmers to legal precautions to be taken through the drawing up of wills, contracts, transfer agreements, landlord-tenant contracts, tax forms, and other related matters;

(e) Special land tenure workshops or conferences be provided for the benefit of agricultural representatives and other field personnel in a position to extend useful assistance to farmers.

(f) Community short courses and discussions be sponsored by farm organizations and extension services throughout Saskatchewan for the purpose of helping farmers to obtain a better understanding of the place of proper legal procedures, contracts, and income tax business records in the sound operation of the family farm.

### **Facilitating Family Farms Through Improved Landlord-Tenant Relations**

*In view of the pronounced tendency for rental to be combined with ownership in obtaining the land resources needed for family sized farms, the contribution of equitable landlord-tenant relations to tenure security, and the responsibility of democratic government to provide an environment which enables individuals to make progress towards realization of the family farm goal, it is recommended:*

7. That, after careful study of existing legislation relating to contract law and other matters affecting the landlord-tenant relationship, special consideration be given to the need for statutory regulations respecting:



(a) The use of written contracts governing landlord-tenant relations in farming to ensure greater security in leasing arrangements;

(b) Tenancy agreements specifying term of lease to encourage long-term planning of farm production, and providing for automatic renewal of contracts;

(c) Compensation for unexhausted or removable improvements effected by the tenant;

(d) Provision for termination procedures;

(e) Compensation for undue disturbance by tenant or landlord in the event of cancellation of leasing arrangements;

(f) Provision for joint tenancy agreements with the right of survivorship.

8. That consideration be given to providing by statute for (a) the appointment of arbitrators or simple recourse to the process of law in the event of landlord and tenant inability to reach agreement on terms of contract and in the settlement of claims, or (b) the establishment of Land Courts such as are now found in Great Britain and Australia.

### **Facilitating Family Farms Through Legal Group Arrangements**

*In view of the growing number of informal father-son agreements, co-operative farm, and partnership arrangements, the legal difficulties resulting from inadequate agreements, and the desirability of encouraging such adjustments to modern conditions of farming, it is recommended:*

9. That the more extensive use of formal father-son project, partnership, and transfer agreements adapted to the changing circumstances of individual farms be encouraged by:

(a) Emphasizing the value of practical experience gained through the use of project and partnership agreements under the guidance of 4-H and Older Farm Youth Clubs;

(b) Developing specific policies and programs to extend this aspect of 4-H Club work by calling a conference of related agencies at an early date;

(c) Distributing a bulletin designed to provide general guidance in drawing up equitable father-son agreements suitable to Saskatchewan conditions, such bulletin to be prepared by the Farm Management Department of the College of Agriculture in collaboration with the Colleges of Law and Commerce with advisory assistance from farm organizations;

(d) Sponsorship by the Saskatchewan Farmers Union and the Saskatchewan Wheat Pool of community study groups to discuss the value and requirements of sound father-son project, partnership, and transfer agreements.

10. That, in view of the large number of parents with limited incomes who desire to transfer their farms to family members and retire, but lack the security to do so:

(a) Special study be given by the Government of Saskatchewan to the merits of a contributory retirement fund program to supplement pension income, thus facilitating the retention of farms in the family;

(b) Special attention be given to the effect of the Commission's proposals on Farm Credit in aiding farmers to retire, in establishing their family successors in farming, and in the allocation of Crown lands under Recommendations 12-21;

(c) Consideration be given by the Government of Saskatchewan, in the event the Commission's farm credit program is not implemented, to the establishment of a revolving land fund for the specific purpose of aiding in the retirement of farm parents who lack the financial resources to transfer their farms to family members on a long-term repayment basis.

11. That in view of the clear economic gains offered by properly organized co-operative farms this Commission would urge that special consideration be given to recommendations in its report on Farm Income concerning co-operative farms.

### **Facilitating Family Farms Through the Allocation of Crown Lands**

*This Commission firmly supports the principle of private land ownership and believes that government policy should be such as to ensure that the maximum number of farm families are able to enjoy the privileges and responsibilities of such ownership. This Commission recognizes the increasing difficulty of attaining ownership in view of current economic trends. It therefore believes that the Government should utilize to the fullest the opportunity to contribute to realization of the family farm goal through the appropriate allocation and use of a limited acreage of special categories of available land resources. These special categories include submarginal lands, farm units of excessive acreage, land not yet developed in unsettled areas, and irrigated acreages. The soundness of the Commission's proposals will be determined primarily by the manner in which they are translated into government policy and on the quality of administration in the responsible department or agency. Every precaution should be taken to ensure that policy and administration are meeting the intended needs and are sensitive to changing economic and social conditions. The Commission recommends:*

12. That, in view of the growing demand for parcels of land available to rent by farmers striving to establish economic units, and in view of the extensive acreage of submarginal lands which could be placed to more intensive uses, the Provincial Government substantially increase its use of powers granted under the Land Utilization Act to purchase, take on lease, exchange, or otherwise acquire

submarginal lands; that in the reallocation of such lands primary emphasis should be placed on the establishment of economic family farm units; and that, to achieve more intensive land use for livestock production, regrassing and necessary brush clearing be encouraged through greater emphasis upon rental adjustments and other forms of assistance.

13. That while this Commission is concerned about the possibility that current economic trends may lead to excessive concentrations of land ownership and believes that excessive concentrations should be discouraged, in view of the limited evidence of such concentrations at the present time and the questionable effectiveness of restrictive legislation, the more positive approach would be the passage of legislation supplementary to the Land Utilization Act enabling the Province to (a) purchase, take on lease, exchange, or otherwise acquire any large holdings of productive land as these are offered for public sale or whenever the owners of such lands seek the assistance of the Government in the disposal of their holdings, and (b) purchase or otherwise acquire the land holdings of absentee landlords whenever such holdings are offered for public sale. In either event the objective should be the creation of family sized farms through allocating such lands to neighbouring uneconomic farm units. The Commission further recommends the enactment of legislation prohibiting the formation of joint stock company farms.

14. That increased attention be given to the establishment of community pastures to be operated by the patrons on a co-operative basis:

(a) To service new settlement areas now blanketed with cultivation leases, thereby encouraging a more diversified income base; and

(b) To service other areas of the province where community pastures would supplement the resources of family farms to a greater degree than through allocation of separate parcels to individuals.

15. That the present provisions for Crown grazing leases be continued, but that:

(a) Further emphasis be placed on the existing policy of rent remission to encourage better land utilization and conservation through regrassing; and

(b) Administrators enforce more strictly the requirement that tenants undertake specific improvements within a stated period of time.

16. That, while standard Crown cultivation leases now in use provide a high degree of security to the tenant through long-term contracts, further attention should be given to:

(a) Explicit provision for the renewal of leases at the end of the 33-year period;



(b) Full payment by the Crown for clearing and breaking on new land development;

(c) Full compensation to the tenant for improvements made by him in the event of his quitting the lease, thereby encouraging individual initiative towards high standards of production and farm improvement;

(d) Full communication with tenants of amendments or changes in land regulations and legislation affecting their lease contracts;

(e) Preparation of a practical handbook outlining Crown land regulations and legislation.

17. That Crown rentals should continue to be based on long-term production potential, that during the development period for new lands payment of rentals be reduced to encourage rapid progress, and that a representative sample of tenants be encouraged to keep proper business records to further test the adequacy of present rates.

18. That, in view of its limited acreage, unsettled and irrigable land involving high development costs be publicly owned and made available on long-term leases to ensure equitable access to limited resources, to shorten the period of development, to prevent speculation, and to encourage proper land use. This recommendation is subject to the special provisions of Recommendation No. 21.

19. That existing priorities in the allocation of Crown cultivation leases which consider opportunity for rehabilitation and need, reliability, competence, and resources of the applicant should be continued and applied to individual and co-operative farms, and that, in all allocations, particular attention should be given to the establishment of economic farm units.

20. That existing policy be continued in the allocation of Crown grazing lands and that, in reallocation of large Crown grazing leases in areas where ranching is prevalent, preference be given to the establishment of family sized ranches.

21. That while an examination of current trends in land tenure indicates that fewer farm families are able to enjoy land ownership and that the careful allocation and use of limited acreages in accordance with the proposals outlined above would offer practical measures to increase security of tenure, this Commission would urge that statutory provision be made for careful review of Crown land policies at regular intervals (preferably of not more than five years) by a qualified and independent body. This Commission believes such a provision to be necessary because of the complexities of administration inherent in its proposed program and the importance of ensuring that intended purposes are being realized. Further consideration is given to these aspects in the Commission's report on Farm Income.

## Facilitating Movement of Farm Families Into Other Occupations

22. That, since the evidence clearly\* indicates that further upward adjustments in the size of farms will take place in many areas of Saskatchewan to realize the goal of family farm units, policies and programs should be developed by the Provincial Government to assist families desiring to move to find alternative opportunities in new occupations. This matter will be given detailed consideration in the Commission's reports on Rural Education and Farm Income.

## 6. RURAL EDUCATION

*The broad terms of reference of the Royal Commission on Agriculture and Rural Life directed specific attention to the importance of inquiry and recommendations regarding "the further adaptation of . . . educational services to meet changing rural conditions." In its study of educational conditions, not only in Saskatchewan but also in related areas on the North American continent, the Commission has been impressed by the remarkable progress made in Saskatchewan in adapting the educational system to present day conditions and demands. It was to be expected that a comprehensive review of our rapidly changing conditions would reveal important new areas for development. Before indicating the recommendations which have emerged from this study it will be useful to state briefly the broad objectives which are expected to dominate the attention of educational authorities and public-spirited citizens in the immediate future. They are:*

1) *The continued regrouping of existing school facilities in village and town centers (except in special circumstances) to facilitate higher standards of education, with specific attention to:*

(a) *the establishment of suitable primary and secondary school attendance areas;*

(b) *the construction of appropriately located and functionally planned school buildings;*

(c) *the establishment of properly located conveyance routes;*

(d) *the provision of diversified curricula designed to provide educational experiences leading to adequate preparation for present day living;*

(e) *the further integration of rural and urban educational facilities;*

(f) *the development of opportunities for continuing education beyond the formal school years.*

2) *The further improvement of the larger unit of school administration with specific attention to:*

*(a) establishing a common type of administration throughout the rural educational system;*

*(b) the adjustment of boundaries for better conformity to existing "natural" communities;*

*(c) increasing the participation and understanding of rate-payers and parents;*

*(d) developing more effective methods of administration with special emphasis upon budgeting and planning.*

*3) The development of increased opportunities for professional and vocational training to satisfy a growing demand for technical personnel and to prepare rural young people more adequately for both farm and non-farm occupations.*

*4) The improvement of teacher training institutions to increase professional competence and to encourage the acceptance of teaching as a professional career.*

*5) The development of more comprehensive programs for the continuing education of adults in social and economic affairs, the cultural arts, and physical recreation.*

## Larger Units of School Administration

*The findings of this Commission have shown that the larger school unit has been a necessary and desirable adjustment to changing conditions in rural Saskatchewan. However, in view of the unanticipated changes which have occurred in recent years and the knowledge now available as to the most appropriate area of association to be included in the larger unit, it is recommended:*

1. That the opportunity should be utilized to redefine the boundaries of larger school units in conjunction with a reorganization of municipal government as recommended in the Commission's report on Rural Roads and Local Government, or, in the event the proposed reorganization is not undertaken, that early provision be made for redefining the boundaries of each larger school unit to ensure its closest possible conformance to the larger trade-centered community.

2. That legislation be enacted by the Government of Saskatchewan to (a) establish the unorganized superintendencies as larger units of school administration, and (b) incorporate existing consolidated school districts and town districts into those larger school units which contain them in order to achieve uniformity in type of rural school administration.

3. That, in view of the increasing tendency to consolidate rural school activities in village and town centers, every effort be made to encourage the further integration of rural and urban school systems.



4. That, in view of the increasing complexity of school administration, (a) the Colleges of Commerce and Education, the Department of Education, and the Saskatchewan School Trustees' Association collaborate in the development of a training program for the secretary-treasurers of larger school units, and (b) the recently established practice of holding school trustees' institutes be continued on an annual basis with special attention to problems associated with budgeting and planning.

5. That, in view of the importance of maintaining the democratic principle of direct ratepayer control over elected representatives, the present system of election of unit board trustees be altered to provide for election of trustees by electoral districts.\*

6. That, although the establishment of larger school units has necessarily removed important responsibilities from local school boards, although election of unit board members by electoral district will further reduce their influence, and although the number of larger attendance areas will increase in the future, nevertheless every effort be made to retain local boards in connection with all open schools and that larger unit boards give constant attention to the allocation of meaningful responsibilities to local boards.

7. That, to supplement the responsibilities of the local board, to improve ratepayer participation in school affairs, and to provide better communication between ratepayers and the boards of larger units, the establishment of neighbourhood (village-centered) Home and School Clubs affiliated with a Larger Unit Home and School Council be encouraged.

8. That, whenever rural schools are closed and associated in a larger attendance area, local district boards be dissolved and the board of the central school be elected from the attendance area as a whole.

9. That, although progress has been made in arriving at common understanding of the appropriate relationships of the school superintendent, larger unit secretary-treasurer, and unit board of trustees, and although the relationships among these officials differ in each school unit, consideration be given to calling unit or regional conferences for the purpose of further clarifying and improving the working relationships of these key officials.

## The Regrouping of School Facilities

*It is evident that an extensive regrouping of rural school facilities is in progress on the North American continent and that*

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\* Commissioner Adams dissents. Commissioner Adams believes that pockets of concentrated population will have an advantage in representation; that the possibility exists that elections will become minor political campaigns with party lines drawn; and that elections would be costly in time and money.

*the process is only in its beginnings in Saskatchewan. Since such regrouping is having and will continue to have a fundamental effect on the future pattern of rural education, the improvement of community living, and the realization of standards of education in balance with modern needs, it is imperative that regrouping proceed with the fullest possible knowledge of all factors influencing the efficiency of the process. It is therefore recommended:*

10. That, in accord with the combined objectives of adequate educational opportunities and the convenience and safety of the school population, continued attention be given to the careful regrouping of school facilities to meet the needs of changing rural conditions and local public demand.

11. That, wherever possible, elementary school facilities should be maintained or regrouped as closely as possible to the homes of the student population, even though by educational standards the resulting concentration of students is less than ideal. Except in special circumstances, such regrouping will mean centralization in villages or hamlets with provision for appropriate transportation facilities.

12. That, wherever possible, the maintenance, establishment, or regrouping of high school facilities should be concentrated in those larger trade centers which permit maximum concentration of students and optimum conditions for economy in conveyance. Where the maintenance of full high school facilities in selected centers does not seem practical, every effort should be made to combine high school rooms for Grades IX and X with multiple-room primary schools in small centers. In any event, it is necessary that every effort be made to establish high school facilities which will encourage maximum enrolment of high school students and their retention in school through high school.

13. That school transportation routes should, wherever practical, be arranged in such a way that the buses conveniently serve younger children attending primary schools as well as older youth attending central high schools.

14. That, in view of the dangers of faulty relocation of school facilities and the excessive costs and inconvenience which may be involved, the regrouping of school facilities should be undertaken only after probable long-term adjustments have been fully considered. Particular emphasis should be given to competent local surveys of all factors related to future school enrolment.

15. That, in view of the difficult technical problems related to regrouping of school facilities, immediate attention be given to the establishment of a Division of School Planning in the Department of Education to design an economical approach to local surveys and to provide consulting services to any unit board requesting assistance.

## School Finance

*An important determinant of further progress in the improvement of the rural school system is the ability to finance education. The Commission is convinced that adequate capacity to maintain and expand educational programs will not be achieved without balanced recourse to local, provincial, and federal resources. It is therefore recommended:*

16. That careful consideration be given to the recommendations in the Commission's reports on Farm Income, Agricultural Markets and Prices, and Agricultural Credit, with particular reference to income stabilizing measures.

17. That in view of the widespread and significant regrouping of primary and secondary school facilities and the expected continuation of population adjustments, school unit boards be given every encouragement and assistance to develop long-range plans and budgets.

18. That, by special act of the Saskatchewan Legislature, a corporation be set up in which the initial common stock of \$500,000 will be subscribed by the larger school units in proportion to assessment; that the Corporation act as purchaser of all debentures of Saskatchewan school units; and that it issue debentures on its own behalf, the statutory security being the debentures purchased from the various school units by the Corporation.

19. That provincial government expenditures on education be increased relative to other major provincial government expenditures, and that more attention be given to the reduction of inequities in tax burdens between units of high and low assessment.

20. That, since persisting inequities in tax burden are due in part to assessment deficiencies in rural assessment and more obviously to rural-urban differences in assessment, the Government of Saskatchewan undertake a careful review of rural assessments and the development of a satisfactory comparable urban assessment, or a reasonable compensatory factor.

21. That every effort be made to develop federal-provincial tax agreements which will permit the Province of Saskatchewan to undertake the full development of necessary public services such as education. In the absence of such an agreement every effort should be made to develop an expanded federal program of financial aid to education.

## Staffing Saskatchewan Schools

*The findings of this Commission have indicated that rural schools in Saskatchewan bear the major burden of inadequate teaching personnel. While Teachers College enrolments may reduce this problem in the near future, there is no evidence that the tendency*



*for qualified teachers to migrate from one-room rural schools to urban positions will diminish. Many factors contribute to these conditions and a solution will come only if attention is given to the gradual improvement of the rural educational environment. It is therefore recommended:*

22. That continued attention be given to the improvement of conditions affecting the attractiveness of rural teaching with emphasis upon (a) the establishment of teacher salaries in balance with occupations of comparable training and responsibility and, (b) the provision of living accommodations of high standard for married teachers at unit board expense, such accommodation to be rented to teaching personnel.

23. That every effort be made to facilitate the establishment of a system of schools in the villages and towns of Saskatchewan which will permit adequate salaries, appropriate equipment, attractive living facilities, and multiple-room school plants. Such programs will have a direct effect on the number of teachers required and will stimulate a professional teaching environment in balance with the difficult demands of present day education.

24. That, with improvements in the teaching environment, the provision of adequate salaries and fringe benefits, and the growing demand for fully qualified teachers, increased attention should be given to the further improvement of teacher training institutions in Saskatchewan. As circumstances permit, special attention should be directed to:

(a) raising the standards of acceptance for enrolment in Teachers College to the equivalent of University entrance requirements, and

(b) replacing the present dispersed program of teacher training with a unified program at the University of Saskatchewan under the direction of a Board of Governors with appropriate representation from the Department of Education and other related organizations. The proposed University program should provide complete two- and four-year teacher training programs as well as facilities for graduate studies.

## **Increasing Retention of Students**

*Marked improvement is needed in the proportion of Saskatchewan youth who complete high school, whether they eventually remain on the farm or migrate to urban occupations. While many of the preceding recommendations bear directly on aspects of the educational system which may at present discourage higher levels of education, it is further recommended:*

25. That in view of the lack of adequate information on the causes of Saskatchewan's low retention of high school students,

immediate steps be taken by the Government of Saskatchewan to initiate an exhaustive analysis of the circumstances which discourage higher levels of educational attainment with special reference to the influence of distance from home to school and of the economic status of farm families.

26. That in view of the unsatisfied demand for personnel in almost all professions, the relatively low percentage of rural youth who enroll in the University of Saskatchewan, and the increasing costs of higher education, every effort be made to implement the recommendations of the Royal Commission on National Development in the Arts, Letters and Sciences to the effect "that the Federal Government maintain and enlarge the system of scholarships, of bursaries and of loans to undergraduates now in operation and known as the Federal-Provincial Vocational Training Plan."

27. That in view of the high rate at which students drop out of the University of Saskatchewan during and at the end of the first year of enrolment, consideration be given to the establishment of a central student counselling service within the University.

28. That in view of the demonstrated relationship between a diversified high school curriculum and retention in high school, and the need for a curriculum that is adapted to the needs of students who will not continue beyond high school as well as to those who will seek university training, continued attention should be given to the development of courses in homemaking, agriculture, shopwork, art, music, and commercial subjects in all central high schools.

29. That in view of the sparsity of school population and the difficulties of transportation in many areas of Saskatchewan, special attention should be given to expansion of the program of providing itinerant programs of instruction by qualified teachers to encourage diversification in the curricula of smaller schools.

30. That early attention be given to the development of intensive in-service training programs for selected vocational counsellors, and that vocational guidance centers be established in composite and other central high schools with provision for itinerant services to other high schools in each larger unit of school administration.

31. That every effort be made to establish permanently the Dominion-Provincial Vocational Schools' Assistance Agreement.

## Vocational Education

*In view of the growing emphasis upon industrial development in Saskatchewan and the growing technical requirements for employment in many branches of industry combined with the large and growing numbers of rural youth who must seek urban employment,*

*and in view of the vital importance of commercial and scientific training to success in modern farming, expansion of opportunities for sound vocational education has become an urgent necessity. It is therefore recommended:*

32. That a program of training in agriculture and homemaking for out-of-school young adults be established in each larger school unit as finance, personnel, and public interest warrants. Such programs should emphasize (a) the organization of clubs for young adults in the 18-25 year age group on a village-centered basis, (b) weekly winter study sessions under the supervision of competent instructors, (c) individual and group farm and home management projects, and (d) such other courses and demonstrations as may from time to time be desired.

33. That the out-of-school young adult program be used in developing experimental approaches to test the practicability of vocational education programs for high school students with special emphasis on the wisdom of developing supervised farming projects directed from conveniently located high school centers.

34. That early provision be made for the appointment of qualified supervisors of agricultural and homemaking education in the Department of Education, such supervisors to have responsibility for stimulating and co-ordinating the extension of agricultural and homemaking programs to larger school units.

35. That provision be made for special matching grants to larger school units to encourage the establishment of scholarships to competent and needy young men wishing to attend the School of Agriculture at the University of Saskatchewan, the value of such scholarships to amount to two-thirds of the cost of attendance at University, the remainder to be borne by the student. Establishment of one such scholarship per larger school unit would ensure full enrolment of competent young men in the School of Agriculture.\*

36. That further funds be provided to permit the School of Agriculture to carry on educational and promotional activities during the summer months to ensure more intimate acquaintance with the farming situation of students who have completed one year in the School and to acquaint parents and prospective students with the advantages of enrolment in the School of Agriculture.

37. That planning begin immediately for an Institute of Technology with special attention to the wisdom of having such an Institute located in Regina to encourage a wide range of non-farm vocational and administrative training. Such an Institute should be under the direction of a Board of Governors representative of the interests most directly involved. Early provision should be made

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\* Commissioner Adams dissents. Commissioner Adams believes this establishes a cumulative precedent; that one group is being selected for preferred treatment; that funds collected by larger units are for the provision of, and administration of, services within a particular area.



for selection and training of personnel for the proposed institute. Special consideration should be given to having the proposed Institute of Technology closely affiliated with Regina College.

38. That provision be made for a program of on-the-job training to be operated in conjunction with the proposed Saskatchewan Institute of Technology.

## Continuing Education

*This Commission, having in mind the needs of a democracy in which all people share responsibility for economic, social, and political affairs, is strongly of the opinion that greater effort is necessary in providing opportunities for continuing education beyond the years of formal schooling. Continuing education is needed to help people understand the vast complexity of society today, as well as to encourage greater appreciation of the value of the humanities and cultural arts. It is therefore recommended:*

39. That the Government of Saskatchewan appoint a Citizens' Council for Continuing Education, with provision for a revolving membership representing the major voluntary organizations of the province together with limited representation from the Department of Education and the University of Saskatchewan.

40. That the proposed Council for Continuing Education be responsible for the co-ordination, clarification, and stimulation of programs for the education of adults in social and economic affairs, in the cultural arts, and in physical recreation.

41. That the Government of Saskatchewan make provision for a liberal system of grants to voluntary organizations for the encouragement of continuing education programs of high standard.

42. That the proposed Citizens' Council for Continuing Education be responsible for determining the policy under which grants shall be made available to voluntary organizations in communities throughout Saskatchewan.

43. That, in the Department of Education, consideration be given to consolidating appropriate personnel and resources into a single Division of Continuing Education, with specific reference to audio-visual services, the Saskatchewan Recreation Movement, and the Adult Education Division. Consideration should also be given to closer co-ordination of these services and the services provided by the Provincial Library.

44. That the Government of Saskatchewan give high priority to the establishment of regional libraries in rural areas throughout the province; that such libraries be established in co-operation with boards of larger units of school administration or (in the event of

the establishment of a county system of local government) with county councils; and that greater initiative be assumed by the Government in demonstrating regional library facilities.

45. That every possible measure of public support be given to the further development of the Canadian Broadcasting Corporation and the National Film Board as national agencies of vital importance to the continuing education of adults in Saskatchewan; and that these two institutions be urged to expand their development of programs in keeping with the freedom of thought so vital to the principles of continuing education in a democratic society, and that greater emphasis be placed on developing films and programs of regional interest.

46. That voluntary organizations, the Canadian Broadcasting Corporation, the Provincial Department of Education, and the University of Saskatchewan co-operate in reviewing the present organization of Citizens' Forum and National Farm Radio Forum to the end that ways may be found to increase the effectiveness of these programs in advancing the social and political responsibility of citizens.

47. That provision be made immediately for substantially expanding the personnel and research resources in the social sciences and humanities at the University of Saskatchewan.

48. That the function of the Adult Education Services of the University of Saskatchewan be redefined to:

(a) transfer activities of a non-technical nature to other adult education agencies in the province;

(b) establish an effective training center for professional adult educators;

(c) initiate and develop new experimental approaches to meet present day needs in continuing education;

(d) develop methods whereby the specialized resources of the University may be made available to Saskatchewan communities with greatest effectiveness;

(e) work in close collaboration with social science and humanities specialists in mastering continuing education as a field of knowledge; and

(f) establish an extension center in Regina for activities in continuing education in southern Saskatchewan.

49. That the proposed Citizens' Council for Continuing Education give specific attention to ways and means whereby local citizen or community councils for continuing education may be developed as a means to new unity in our emerging larger rural communities and as a means to achieve effective use of the proposed system of liberal grants.

50. That every effort be made to facilitate the development of the rural school system as the primary center for the continuing education of adults.

51. That the Government of Saskatchewan convene a conference of all groups and individuals interested in the further development of continuing education in Saskatchewan, and that such conference have as part of its agenda the consideration of the recommendations of this Commission and the initiation of further studies of the organization of adult education in Saskatchewan.

## 7. MOVEMENT OF FARM PEOPLE

### Goals for Future Movement of People

*This analysis of the movement of people in Saskatchewan has demonstrated that a basic adjustment of population to available resources has been under way and can be expected to continue in the future. In general, this process of adjustment is explained by a voluntary flow of people from areas of limited resources and employment opportunity to areas of expanding resources and employment opportunity. When people move they tend to do so in the hope of bettering their economic and social circumstances. In view of this principle the Commission would suggest three broad policies as the basis for future programs affecting the movement of people. They are:*

1) The encouragement of desirable movement out of agriculture into superior non-agricultural economic and social opportunities. *Since the decision to move is largely an individual matter, future policies should facilitate a rational, free movement to the end that Saskatchewan families are able to realize acceptable standards of living.*

2) The stabilization of the farm population at the maximum number consistent with acceptable income levels. *This Commission is strongly of the opinion that a balance must be sought between economic and social efficiency in determining the number of farm families who will find satisfying opportunities in agriculture. This balance is being seriously threatened by the present absence of comprehensive constructive agricultural policy.*

3) The reduction of the undesirable effects of necessary movement out of agriculture on public services and community living. *Since it has been demonstrated that random adjustment in farm population can have serious effects on the location and financing of local public services, and on stability in community living, it is desirable that every effort be made to anticipate and take into account such adjustments through provincial and local planning.*



## Recommendations

*The movement of people is the result largely of forces studied in some detail in other reports of the Commission. No specific recommendations will therefore be made in this report. The following outline is a review of recommendations contained in other reports which, if implemented, could be expected to influence future movement of people. These recommendations are grouped under the three broad policies outlined above.*

1) The encouragement of desirable movement out of agriculture into superior non-agricultural economic and social opportunities. Since farming areas have always produced surplus population and since some further reduction in the number of farming opportunities is anticipated, the following measures have been suggested:

(a) *The rapid development of urban industrial opportunities for full- and part-time employment, as recommended in the Commission's report on Farm Income.*

(b) *Financial assistance to displaced, low income farm families to facilitate better adaptation to economic and social opportunities, as recommended in the Commission's report on Farm Income.*

(c) *Increased educational opportunities for farm young people through improved high school facilities, a Provincial Institute of Technology, and vocational guidance, as recommended in the Commission's report on Rural Education.*

(d) *Provision of information to rural families on available urban employment opportunities, as recommended in the Commission's report on Farm Income.*

2) The stabilization of the farm population at the maximum number consistent with acceptable income levels. Unless comprehensive programs are developed to encourage retention of the greatest possible number of competent farm operators in agriculture the present pattern of haphazard adjustment may reduce farm population far below socially acceptable levels. Recognizing that no single program can achieve stabilization of population, the Commission has suggested the following measures:

(a) *The development of the greatest possible number of family sized farms, defined as those farms on which the farm operator provides most of the management, the farm operator and his family provide most of the labour, an adequate standard of living is assured, and tenure is secure. Measures to achieve this goal have been recommended in the Commission's report on Land Tenure.*

(b) *Retention of the most capable farm operators in agriculture, encouragement of an economically and socially acceptable distribution of available land resources among those who remain in agriculture, and minimum local disruptions in residence patterns, through measures recommended in the Commission's report on Agricultural Credit.*

(c) Assurance of stable and adequate levels of farm income for those who remain in agriculture, through measures recommended in the Commission's reports on *Agricultural Markets and Prices*, and *Crop Insurance*.

(d) Provision of opportunities for intensive farm production to reduce the need for further expansion in farm size, particularly in the park region, as recommended in the Commission's report on *Farm Income*.

(e) Encouragement of efficient home and farm management to achieve retention of more farm families, through measures recommended in the Commission's reports on *Farm Income* and *The Home and Family in Rural Saskatchewan*.

(f) Increasing the attractiveness of permanent rural residence through the accelerated development of rural public services of acceptable modern standard, through measures recommended in the Commission's reports on *Rural Roads and Local Government*, *Rural Education*, *Farm Electrification*, and *Service Centers*.

3) The reduction of the undesirable effects of necessary movement out of agriculture on public services and community living. Since continual movement out of agriculture as well as considerable farm-to-farm movement can be considered normal, every effort should be made to reduce the undesirable effects of movement, through measures to be recommended in the Commission's report on *A Program of Improvement for Saskatchewan Agriculture and Rural Life*.

## 8. AGRICULTURAL MARKETS AND PRICES

It is evident that the most effective application of the production potential of modern commercial agriculture is being hampered by unstable and low demand on the one hand, and by ill-adapted marketing and pricing mechanisms on the other. Except in periods of emergency, potential supply has tended to outrun effective demand. Furthermore, under present day conditions the "free market" system does not always serve the best interests of producer and consumer. Since the welfare of agriculture is clearly in the public interest, it is the responsibility of public policy to seek adjustments in the conditions of demand and in the marketing process to the end that the general welfare of the economy is advanced.

Having this situation in mind, the Commission believes that the long-term goals of public policy should be directed towards achieving (1) greater equity in income distribution within agriculture, within non-agricultural groups, and between agricultural and non-agricultural sectors of the economy, and (2) a more efficient distribution and use of the capital and labour resources necessary to technological progress in agriculture. In achieving these goals, public

policy with respect to markets, marketing, and prices can make an important but limited contribution; a comprehensive approach is necessary. At the same time, programs in these aspects must be consistent with long-term goals. Particular emphasis is required on public policies which will:

1) Raise the share of national income accruing to low income groups by means of measures which raise the earning capacity of such groups and by means of extending welfare programs;

2) Provide anti-cyclical measures which will minimize fluctuations in the level of domestic economic activity and reduce the impact of business declines on agriculture;

3) Increase trade with foreign consumers both in traditional markets and in underdeveloped countries;

4) Provide credit for those farmers who at present lack capital but who have management ability;

5) Provide programs to offset yield fluctuations due to natural hazards;

6) Reduce fluctuations in farm prices and redistribute income in favour of agriculture through price measures;

7) Provide adequate storage facilities when these are required to stabilize supply-demand conditions;

8) Increase the bargaining power of farmers, both as producers of food products and as consumers of agricultural supplies;

9) Increase control over monopolies whenever these appear among the suppliers of goods and services used in agriculture or among the handlers and processors of farm products;

10) Increase research and public information as to the costs and risks of agricultural production, the costs of duplication in retail outlets, and the present levels of food consumption in Canada.

A number of these aspects of public policy, particularly (2), (4), and (5), are given detailed consideration in other reports. They are introduced in this report only to demonstrate their relationship to markets, marketing, and prices. In the Commission's judgment, the recommendations which follow will, if implemented, constitute an important stride towards fulfilling those policy goals directly related to agricultural markets, marketing, and prices.

## Increasing the Demand for Farm Products

By far the most effective measures for creating broader and more stable markets for farm products are an expanding population, a high level of national income, and increased purchasing power among low income groups. It is therefore recommended:



1. That Federal and Provincial Governments, within the limits of their respective fiscal capabilities, adopt a firm policy of using public funds and adjusting fiscal monetary programs to stimulate economic activity in periods of recession and depression.

2. That general welfare measures to increase the income of low income groups in Canada be extended, with immediate emphasis upon a national health program.

3. That primarily to raise nutritional levels, but also to increase effective demand for food products, a national food distribution program for low income groups be adopted; such program to be modelled after the Aiken Plan which has been proposed in the United States.

4. That research by Federal and Provincial Governments into food consumption levels and standards be greatly extended to provide more reliable information upon which to base measures affecting production and consumption of agricultural products.

*A further critical factor in the establishment and maintenance of favourable prices for farm products is Canada's position as an exporting nation. Export needs can be met only through increasing our orderly trade with other nations. The following measures are recommended:*

5. That Canada increase trade with non-dollar countries through negotiation of multilateral and bilateral trade agreements.

6. That Canada significantly increase its financial aid to underdeveloped countries to facilitate higher income levels in areas of future demand for Canadian agricultural products.

7. That Canada seek continued progress towards the development of permanent international trade and monetary agencies within the United Nations.

8. That Canada take a more active role in urging the adoption of the F.A.O. proposal for an International Commodity Clearing House to assist in the orderly distribution of surplus food and to provide new avenues for trade between nations whose currencies are not readily convertible.

## Stabilizing Farm Income

*While the instability of farm incomes is due in part to uncontrollable variations in yields, it is also due in part to imperfections in the marketing and pricing system which can be corrected or lessened through public programs. It is therefore recommended:*

9. That systems of forward prices for all of the principal agricultural products, based on annual estimates of demand-supply

conditions, be instituted by the Federal Government in order to minimize the uncertainty of farm prices and to provide producers with the price information necessary to use their resources most efficiently.

10. That forward prices constitute the level at which the Agricultural Prices Support Board shall support the prices of farm products, with provision for deficiency payments to producers when the average yearly price for any supported product falls below the forward price; provided that, if the Federal Government fails to institute adequate measures to prevent economic recession, prices shall then be supported at a pre-recession level with adjustments to reflect changes in farm costs.

11. That for use in conjunction with the forward price program and for purposes of stabilizing supplies on the market, provision be made for storage programs under public control which are adapted to the requirements of the several commodities.

12. That to enable the Federal Government to operate its forward pricing and storage programs more efficiently, continuous study be undertaken to determine more accurately the manner in which producers and consumers respond to changes in the relative prices of coarse grain and livestock products.

13. That in connection with its storage program for perishable products, the Federal Government launch a research and public information program designed to (a) determine more accurately the factors which affect consumption of frozen livestock products and (b) overcome consumer resistance based on prejudice or faulty information.

14. That, in view of the grain producers' immediate need for cash and their present difficulty in selling farm stocks of grain, the Federal Government promptly establish, on an emergency basis, a system of cash advances on farm stored grain.

15. That, in view of the probability that large carryover stocks of grain will constitute a continuing problem for some years and that a long-term program of storage expansion may be required, (a) the Board of Grain Commissioners undertake immediately a survey of the quantity, quality, and cost of present storage facilities to provide the basis for recommending the most economical means of expansion, and (b) the recommendations with regard to emergency credit as set forth in the Commission's report on Agricultural Credit be implemented or, alternatively, the Federal Government re-establish, on a permanent basis, the Prairie Producers' Interim Financing Act of 1951.

16. That, in view of the present need for carrying over large unsold stocks of wheat from one year to the next and the destabilizing effects on farm income which could result from carrying over high priced grain into a period of falling prices, the Government of Canada be urged, in the absence of a forward pricing program, to

carry over unsold stocks at a price which represents the closest possible estimate of the anticipated final price for the following year rather than at the price current at the time of transfer.

17. That, because of the important contribution which the International Wheat Agreement has made to stable farm income in the past, the Federal Government exert every effort to secure a new agreement, for a longer term if possible, and to increase the number of participating countries; provided that further consideration be given to the practical possibilities of increasing the acceptability of I.W.A. to both importing and exporting countries through automatic annual adjustments in the relationship between I.W.A. and world market prices by means of a formula which does not unduly affect the price stabilizing intent of the Agreement.

*No system of marketing and pricing can exert a maximum stabilizing influence unless producers themselves endeavour to improve the quality of their product and to make the best of available marketing services. It is therefore recommended:*

18. That careful consideration be given to the Commission's recommendations in the reports on Farm Income and on Agricultural Credit with reference to agricultural extension.

19. That a conference of farm organizations and extension agencies be called by the Government of Saskatchewan to consider ways and means of establishing (a) in-service marketing schools for field personnel and farm leaders, and (b) special short courses for farmers on marketing practices.

## Increasing the Bargaining Position of Producers

### Grain

*In view of the strong public support for the continued operation of the Canadian Wheat Board, its implications for the stability of grain producers' incomes, and the importance of public confidence during the present period of heavy supply of wheat, it is recommended:*

20. That the Government of Canada be urged to provide legislation for the permanent establishment of the Canadian Wheat Board as the sole marketing agency for wheat, oats, barley, flax, and rye.

21. That to ensure representation of the producer viewpoint, the Federal Government appoint one or more grain farmers to the Canadian Wheat Board; provided that the Board remain completely responsible to the Government in all its activities, and that the Advisory Council of agricultural producers be utilized as effectively as possible to provide a periodic guide to the Board in the determination of policy.



22. That in view of the fact that Wheat Board delivery quotas and shipping orders have rendered the Car Order Book section of the Canada Grain Act practically inoperative, the Government of Canada be urged to enact legislation which provides that box cars be allocated according to the desires of producers.

## **Livestock**

*In view of the growing national importance of the livestock industry and the weak bargaining position of the livestock producer, it is recommended:*

23. That the Federal Government be urged to establish a National Livestock Marketing Board which would be the sole marketing agency for hogs and cattle.

24. That should current public attitudes and lack of information and experience make it inadvisable to proceed immediately with the establishment of a National Livestock Marketing Board, the Federal and Provincial Governments do everything within their constitutional powers to facilitate the early establishment by producers of provincial hog marketing boards in Alberta, Saskatchewan, and Manitoba, these boards then to operate jointly in interprovincial trade with the existing Hog Marketing Board of Ontario.

25. That to reduce extreme seasonal fluctuations in the price of hogs received by producers, the provincial hog marketing boards be urged to establish a semi-annual pool.

26. That in the absence of a forward pricing program, the Agricultural Products Co-operative Marketing Act be utilized to provide guarantees for all or a portion of the initial price paid to producers in the operation of a hog marketing pool.

27. That to improve further the bargaining position of provincial hog marketing boards, consideration be given to (a) establishing co-operative assembly points for hogs convenient to the main marketing centers in the prairie provinces, or (b) a system whereby anticipated hog marketings can be predicted in advance more effectively, thus providing a basis for price determination before the live animals are removed from the farm.

28. That as a step towards the establishment of producer marketing boards for cattle, the system of rail grading now in operation in several provinces be adopted as the cattle grading method in Canada as soon as farmers are prepared to accept it and grading facilities and personnel are available.

29. That the Government of Canada be urged to establish a Board of Livestock Commissioners with full responsibility for the supervision, continued study, and public understanding of the livestock marketing process and with the objective of improving efficiency in all livestock marketing operations.

## Poultry and Poultry Products

30. It is recommended that the Government of Saskatchewan and other Provincial Governments encourage the early establishment by producers of marketing boards which would be the sole marketing agencies for all poultry products within their respective provinces, and that such boards be urged to establish a regional or national agency to handle interprovincial and export sales of poultry products.

## Economic Research

*The increasing complexity of agricultural marketing, the importance of reliable facts in establishing a reasonable bargaining position for agriculture, and the extensive research facilities utilized by other industries and by labour in advancing their interests requires that early attention be given to the seriously deficient economic research facilities of agricultural organizations. It is therefore recommended:*

31. That consideration be given by all major farm organizations to the establishment of comprehensive economic research facilities as an essential aspect of administration, and that such organizations examine the advantages of pooling their financial resources to establish a centralized, comprehensive research section.

## 9. CROP INSURANCE

*There can be no doubt that a program to offset the more drastic income effects of yield variations is one of the critical requirements in stabilizing prairie agriculture. Of the limited number of programs which could be generally applied to relieve these unpredictable and damaging income effects, a system of crop insurance offers the greatest promise. It is recognized that many problems must be solved before crop insurance can be made available to the majority of farmers. Nevertheless, this Commission, after careful consideration of the evidence before it, is convinced that, in the long view, crop insurance is feasible for the Canadian prairies. Further, it is convinced that the problems of implementing a crop insurance program can be solved with a minimum of risk through an experimental approach which will permit the accumulation of operating experience under prairie conditions. The Commission therefore recommends:*

1. That an experimental crop insurance program be launched in Saskatchewan as a program complementary to, but separate from, the present Prairie Farm Assistance Act program; and that an intensive effort be made to find means to extend the experimental program to representative areas in the provinces of Alberta and Manitoba.

## Administrative and Financial Responsibility

*In view of the interprovincial nature of the need for crop insurance, the limited financial resources of individual provinces, the necessity of spreading risks over as wide an area as possible; and in view of the Federal Government's accumulated experience in administering the Prairie Farm Assistance Act and its earlier acceptance of responsibility for crop insurance at the time P.F.A.A. was enacted, the Commission recommends:*

2. That reserve requirements for the experimental program be provided by the Federal Government, and that central administrative functions be undertaken either by P.F.A.A. or by a new agency which would incorporate the P.F.A.A. and crop insurance programs.

3. That the participation of provincial governments in crop insurance include (a) assuming regional administrative costs and (b) acting in an advisory capacity to the program.

4. That regional offices be established in each experimental area in each province.

5. That local farmer committees be formed in each rate area to (a) develop interest in the crop insurance program, (b) advise the regional field office on local matters, and (c) assist in the development and maintenance of yield data.

## Plan of Insurance for Experimental Program

*In view of the crop insurance experience in the United States, experience in Canada under the P.F.A.A., and the Commission's analysis of basic considerations in developing a plan of insurance for prairie farms; and in order that the maximum amount of information useful in expanding the crop insurance program may be obtained, it is recommended:*

6. That the plan of insurance be all-risk insurance, covering all natural hazards (beyond the farmer's control) to which the growing crop is exposed; except that insurance as to quality (grade) not be contemplated in the initial program. It is important, however, that quality insurance be offered as soon as experience permits.

7. That crop coverage in the experimental program be based on wheat, and that wheat yields provide the basic data for determining rates and indemnities. Acreage in coarse grains could be insured by applying a conversion factor computed for each rate area.

8. That three basic plans be offered:

(a) one in which premiums and coverage are calculated on the basis of average yield experience in a rate area and indemnities



are paid to all insured farmers in the rate area when the average annual yield falls below the level of coverage;

(b) one in which premiums and coverage are similarly calculated on the basis of the average yield of a rate area but indemnities are paid on the basis of average yields in individual delivery points; and

(c) one in which indemnities are paid to each insured farmer whose yield falls below the level of coverage.

With reference to (b) and (c) it is suggested that the size of the rate areas be varied to test the advantages of small and large premium units.

9. That participation in the plan be compulsory for all eligible farmers for a period of at least five to ten years, in order that farmers will have an opportunity to acquaint themselves with the program, administrators will be able to develop data necessary for refinement and expansion of the program, and practical experience will suggest necessary modifications in the original plan of insurance. It is suggested that a continuous contract, applicable to all eligible farmers, be used in each experimental area.

10. That, prior to the inauguration of the experimental program in a given rate area, an intensive program of education and public discussion be undertaken to ensure the widest possible understanding of the proposed crop insurance plan; and that, following this discussion period, a plebiscite be held to determine the preference of eligible farmers with reference to the following:

(a) the desirability of a compulsory crop insurance plan;

(b) the selection of one of the three types of insurance outlined in Recommendation No. 8.

11. That insurance be limited to land in Land Classes II, III, IV, and V.

12. That an insurance unit consist of (a) all the insurable acreage within a given rate area in which the insured has a 100 per cent interest at time of seeding; (b) all the insurable acreage within a given rate area owned by one person and operated by the insured as a share tenant; or (c) all the insurable acreage within a given rate area owned by the insured and rented to one share tenant.

13. That coverage and premium rates be stated in both bushels of wheat and dollar equivalent; that indemnities first be determined in bushels and then converted to dollars; and that a fixed price per bushel be established to be applied in converting premiums and indemnities to dollar amounts.

14. That, with respect to the individual indemnity plan, coverage be progressive in accordance with the insured's investment in the crop. The three stages of crop development used in the United States program — 50, 90, and 100 per cent of the level of coverage — could be applied equally well in the prairie provinces.

15. That, to avoid the trouble and expense of securing annual acreage reports from each farmer, a standard acreage be used for the life of the continuous contract, the amount to be submitted by the farmer when insurance is first issued. Any substantial change in acreage devoted to grains could be adjusted at time of seeding.

16. That premiums be collected as a proportion of grains marketed at the time of delivery to the elevator.

17. That moderate reductions in premium rates be made to individual farmers and to rate areas showing consistent yield experience unusually higher than normal.

18. That, since failure to follow adequate crop rotation practices results in lower and more variable yields, methods of compensating for this factor in the rate or indemnity structure be fully explored. Some method of adjustment would be highly desirable, not only to minimize individual inequities, but also to encourage sound soil management.

19. That provision be made for collateral assignment of indemnities as an assistance to farmers in obtaining credit. This provision would be primarily applicable to those areas in which individual indemnities are payable.

20. That areas which qualify for crop insurance be excluded from P.F.A.A. coverage and levies.

## Actuarial Basis for Experimental Program

*In view of the careful and continuing attention to sound actuarial principles required to ensure that the crop insurance scheme will be self-liquidating, the Commission recommends:*

21. That coverage be 60 per cent of the long-term area average yield for all plans, and that, once the preference of the majority of eligible farmers is known, only a single plan be offered in any given rate area.

22. That, with respect to the group indemnity plan, the maximum premium rate be 10 per cent of the long-term average yield in order to assure that crop insurance at reasonable cost will be available in all parts of the experimental area. The exclusion of Class I land should make such a maximum feasible and, in fact, should permit an eventual reduction in premium rates.

23. That data on individual farm yields be collected in a systematic manner and used in adjusting area premium rates where necessary.

24. That, once the crop insurance plan is in operation, actual crop insurance experience be incorporated into the premium rates

on the basis of an annual review, but that no major change in rate structure be adopted as the result of a single year's crop experience.

25. That, since the evidence suggests that rates indicated for the Saskatchewan test areas are adequate to cover losses and build up a modest reserve over the long run, no additional loading of rates be considered during the initial test period.

26. That the initial reserve be established on the basis of covering losses which would occur if the yield experience of 1954 were to be repeated.

27. That steps be taken to reinsure a portion of the risk of the wheat insurance program.

### Prairie Farm Assistance Act

*In consideration of the facts (a) that the development of a comprehensive crop insurance program will take a number of years, (b) that, in any event, crop insurance will probably not be feasible in areas of exceptionally high risk, and (c) that the Prairie Farm Assistance Act is geared to 1939 conditions, the Commission recommends:*

28. That, whatever developments take place in crop insurance, P.F.A.A. be continued in order to assure a minimum level of crop loss protection in all agricultural areas of the prairie provinces.

29. That P.F.A.A. be amended to:

(a) Eliminate those sections of the Act which exclude certain alienated Crown lands and irrigated lands;

(b) Increase payment schedules to reflect increases in levies collected and increases in farm production costs since 1939;

(c) Raise limits on the eligible acreage per farm in proportion to average farm size increases since 1939;

(d) Provide four categories of payments instead of two within the 0 to 8 bushel range of yields.

## 10. THE HOME AND FAMILY IN RURAL SASKATCHEWAN

*The Commission's analysis has shown that the changing rural environment in Saskatchewan has greatly affected the rural family and home as it has affected all aspects of rural society. In view of the importance of the family to the happiness and security of the people, aid is necessary to help the family adjust to changes in the*



*environment. Through an effective adjustment the rural family can improve its material level of living and realize more satisfactory relationships among its members. The Commission's recommendations are designed to help this adjustment and strengthen the rural family.*

*The Commission recommends:*

1. That in view of the basic importance of family income to the conditions of rural living, public policy be directed increasingly to ways and means of raising income on low-income farms with particular reference to implementing Commission recommendations in its reports on Agricultural Credit and Farm Income.

2. That consideration be given to provincial and federal assistance to communities for the financing of construction of water and sewage systems where warranted by population potential.

3. That the Saskatchewan Power Corporation continue its program of rural electrification with increased emphasis on bringing power to lower income farms and facilitating the purchase and use of a broader range of home conveniences.

4. That federal, provincial, or local governments co-operate in the development of a rural housing program involving research, extension, and credit. Consideration might be given to expanding the coverage of the National Housing Act to include aid for the construction of rural homes and thus help in the elimination of inequities between rural and urban housing.

5. That the Federal Government institute an agency for the development and regulation of comprehensive standards and labelling of consumer goods.

6. That private radio and television stations be encouraged to follow the leadership of the Canadian Broadcasting Corporation in broadening their treatment of problems of the home and family by presenting programs on family relationships in line with modern thinking on mental health and by raising the level of programs for the homemaker in general.

7. That to raise the level of education for homemaking in the schools of the province, a home economics supervisor be employed by the Department of Education.

8. That, in view of the need for more basic information about farm family relationships and the changes that are occurring in the broad social and economic environment, further studies similar to that conducted by this Commission be undertaken as a basis for expanded services to the farm family.

9. That in order to co-ordinate services already available and to extend services to the rural home in more equitable relation

to its position in the farm partnership, the Government of Saskatchewan, through appropriate agencies, provide the service of Home Extension Agents to Saskatchewan homes.

10. That in order to provide the necessary qualified staff for this service, pre-service training in extension work should be provided at the University of Saskatchewan, and an in-service training program should be instituted.

11. That in order to alleviate the shortage of qualified personnel for services to rural homes and families, home economists living in rural Saskatchewan be employed on a part-time basis.

12. That the necessary funds be provided to the Women's Service of the University of Saskatchewan to enable this agency to provide the services of specialists in home management, family relations, interior decorating, and other matters to the home extension field service as it expands.

13. That in order to work out the details of administration and a program of services to rural families, these services first be instituted as a pilot project under the following conditions:

(a) The project be established in an area of stable population where mixed farming is carried on.

(b) The project be established in an area where sufficient interest has been demonstrated by the communities themselves.

(c) The administrative area for the pilot project be coterminous with the larger area surrounding a service center recommended for the unit of local government in the Commission's report on Rural Roads and Local Government. If enlarged areas for the administration of local government are not promptly defined, an equivalent area could be designated for the pilot project.

(d) The case load for each home extension agent be limited to 500 to 800 interested families. If specialists are utilized, a larger number of families can be served.

(e) An Advisory Council be appointed by the Provincial Government, consisting of representatives of related government services, the Women's Service of the Department of Extension at the University, and a weighted representation of lay persons in the area, who because of their ability, interest, and experience know the needs of the area, to establish and test the proposed service.

(f) Care be taken to ensure that the supervisor of the pilot project is a person of outstanding qualifications and ability who might later become supervisor of the expanded service.

(g) The co-operation of the Agricultural Representative Service be enlisted and that some sharing of office space, office help, and transportation be considered.

(h) Because of their experience in this field, the Women's Service of the Department of Extension at the University provide secretarial services and a central office for the Advisory Council.

(i) Within three years after the pilot project has been in operation, the Advisory Council shall recommend the type of program to be instituted for the province as a whole.

## 11. FARM ELECTRIFICATION

*The Commission's primary task in this report has been to outline the problems involved in the extension of central station power services to the maximum number of farms in Saskatchewan consistent with reasonable cost. The Commission was impressed with the difficulties faced by the Saskatchewan Power Corporation in providing this service to the most scattered and sparse rural population in Canada and commends the Corporation for the rapid progress it has made to date. The Commission finds no fault with the general program including the provision that an initial capital requirement of roughly 50 per cent of line construction costs be assessed against connected farms. While the Commission would prefer to see less disparity between installation costs in rural and urban areas, it realizes that the Saskatchewan Power Corporation is not in a position to attempt such a policy because it lacks a completely integrated system.*

### **Electric Power for Low Income Farms**

*The Commission found that a large proportion of resident farms not yet connected to central station power are low income farms. The Commission believes that the income redistribution involved in any program to bring this service to low income farms should not be the responsibility of the Saskatchewan Power Corporation. The problems faced by this group of farmers are of a nature which cannot be significantly alleviated through the subsidization by governments of such services as power. The low income problem is a deep-rooted one and can only be corrected through the implementation of a wide range of programs. Nevertheless, the low income farmers should have easier access to this service. It is recommended:*

1. That the federal and provincial governments implement the recommendations contained in the Commission's reports on *Farm Income*, *Agricultural Markets and Prices*, *Agricultural Credit*, and *Land Tenure* regarding measures to (a) increase the consumption of farm products, (b) increase and redistribute productive resources within agriculture, and (c) increase the stability of farm incomes.

2. That, in view of the necessity of providing either long-term credit, outright subsidy, or a combination of these two aids if electric power services are to be made accessible to low income



farms, the Legislature of the Province of Saskatchewan enact the necessary legislation to provide for the establishment of a Rural Electrification Finance Branch (either in the Treasury Department or the Department of Agriculture) and a Rural Electrification Fund, the duties of the new branch to be as follows:

(a) To take over and administer all existing capital loans to farmers granted by the Saskatchewan Power Corporation;

(b) To administer a capital fund for loans and a Rural Electrification Fund for grants for the purpose of assisting farmers to obtain electric power service;

(c) To receive applications from farmers desiring assistance in meeting line construction charges, initial payments amounting to 25 per cent of line installation charges to be required from all applicants. On the basis of individual need, the Branch would determine whether an applicant qualified for an outright grant or a long-term loan to cover the remaining 75 per cent of line construction charges;

(d) To receive applications from farmers, too isolated to obtain central station power, for loans of up to 75 per cent of the cost of installing alternate forms of power such as wind electric systems (see Recommendation No. 3);

(e) To receive applications from farmers for loans of up to 100 per cent of the cost of wiring farm houses and farm buildings;

(f) For all loans, to devise flexible repayment schedules to a maximum of ten years.

### **The Isolated Farm Problem**

*There is a relatively small number of farms in the province which could bear the costs of rural electrification but which cannot secure access to this service because of present mileage limitations of the Saskatchewan Power Corporation. It is recommended:*

3. That the Saskatchewan Power Corporation alter its existing policy with regard to mileage limitations so that isolated farms more than two miles from existing lines can be supplied with power, provided the farmer (a) agrees to pay the full construction cost on all line over two miles, and (b) agrees to pay a higher minimum bill to compensate for the greater operating, depreciation, and maintenance costs of such lines, and that the application of Recommendation No. 2 be extended to isolated farms for construction of power lines and wiring and for purchase of other forms of electric power.

### **The Land Tenure Problem**

*A number of potential rural users of electric power are denied access to this service because they rent the land on which their farmsteads are located. To alleviate this situation, it is recommended:*

4. That special attention be given to recommendations in the Commission's report on *Land Tenure* dealing with improved landlord-tenant relations and means of increasing the security of tenants on privately owned land in Saskatchewan.

### **Increasing Electric Power Consumption**

*While some attempts are being made to acquaint rural people with the advantages offered by electricity as a source of farm power and the need for careful selection of appliances and equipment, much more education, research and testing in this field are necessary. It is recommended:*

5. That the provisions of the Farm Implement Act be extended to cover electrical equipment for farm use; that the proposed farm implement field testing agency of the Saskatchewan Department of Agriculture include testing of electrical equipment in its program; and that the University of Saskatchewan expand its program of basic research in this field.

6. That, in view of the importance of high standards in servicing and repairing electrical appliances and equipment, the Saskatchewan Power Corporation investigate the possibilities of providing service and repair facilities as a means of establishing standards with respect to the quality and cost of such services in Saskatchewan.

7. That extension agencies in the province place greater stress upon education and practical demonstration of proper selection and use of electrical appliances and equipment.

8. That consumers of power in Saskatchewan make greater use of co-operative retail outlets for the purchase of electrical appliances and equipment and that provincial co-operative agencies exert more effort to promote the sale of "Co-op label" goods in this line.

### **Municipal Taxation of Power Utilities**

*There is at present considerable inequity in the payment of grants in lieu of taxes to local governments by the Saskatchewan Power Corporation. The basis of such taxation should be the number of customers in, and the level of revenues coming to the Corporation from, the various municipalities. It is recommended:*

9. That the Saskatchewan Power Corporation pay grants in lieu of taxation to all municipalities in which its customers are located and that individual grants be based upon the revenue collected by the Corporation in each municipality, the level not to exceed 5 per cent of Corporation revenues.

## 12. SERVICE CENTERS

*The concept of the service center and its tributary trading area provides an organizing principle of importance to a number of developing situations in Saskatchewan agriculture and rural life. The Commission's primary concern in this report has been directed to the related problems of regional administration and co-ordination of government services. This study was a search for a common denominator whereby all the interrelated services of government could be co-ordinated and a closer relationship realized to "natural" areas within which people associate. The opportunities for improvement in government services and in the integration of the activities of government with those of the community will now be apparent.*

*A knowledge of the structure and function of service centers and their tributary areas may also be applied to many other aspects of modern life. In the broader fields of cultural and recreational activities and community organization, an understanding of this report is vital to intelligent planning and development. An understanding of the principles in this report may help avoid the establishment of new commercial enterprises in villages already overextended in terms of service demands. It may help avoid the confusions and frustrations which occur when an organization strives to carry on an active program in a village-centered neighbourhood with a membership which is actually oriented to a larger community.*

*If the nature of the service center and its tributary area is understood and applied to shifting rural relationships, it may provide an effective guide in establishing an orderly and stable pattern of rural service and rural life in the future. It is therefore recommended:*

1. That, in view of the central importance of service centers and their tributary areas, immediate attention be given to the completion of a comprehensive analysis of service centers throughout Saskatchewan. This analysis should be made available in a form which will facilitate use by private and public interests.

2. That public policy encourage the reorganization of rural services on the basis of the service center principles demonstrated in this report. Recommendations to this effect are found in a number of reports of this Commission:

- (a) In the reorganization of local government into the modified or full county system, the boundaries of reorganized units should be determined by optimum combinations of the following criteria: *functional trading areas*, farm population, assessment, existing boundaries, administrative and local political requirements, and the utilization of provincial financial and technical resources.

- (b) In the event that the reorganization of local government is not undertaken, early provision be made for redefining the boundaries of each larger school unit to ensure its closest possible conformance to the larger trade-centered community.



(c) Wherever possible, elementary school facilities should be maintained or regrouped as closely as possible to the homes of the student population, even though by educational standards the resulting concentration of students is less than ideal. Except in special circumstances, such regrouping will mean centralization in villages or hamlets with provision for appropriate transportation facilities.

(d) Wherever possible, the maintenance, establishment, or regrouping of high school facilities should be concentrated in those larger trade centers which permit maximum concentration of students and optimum conditions for economy in conveyance.

*The Commission's report on Mechanization and Farm Costs also directed attention to the economies to be realized through a more rational distribution of equipment and repair service outlets. The principles of service center organization provide such a basis not only for equipment and repair services but also for a wide range of other commercial facilities. It is therefore recommended:*

3. That, in view of their positions of leadership in the establishment and development of commercial service outlets, the Saskatchewan Board of Trade and the Saskatchewan Co-operative Movement give special study to this report to facilitate understanding and application by their memberships.

### 13. FARM INCOME

*The conclusions make it abundantly clear (1) that farm income in Canada has been and remains chronically low relative to income in the non-farm economy; (2) that in Saskatchewan particularly this basic problem of low income is complicated by extreme variability; and (3) that the underlying causes of low and variable farm income can be traced to a multitude of sources in the economy and in the farming environment.*

*The ultimate goal of farmers, which this Commission holds to be not only justifiable but long overdue in accomplishment, is parity of income and opportunity with the non-farm population. The consumers' goal can be expressed as production efficiency in agriculture comparable to that in the non-farm economy. The goal of the economy as a whole lies in maintaining a stable and high level of farm purchasing power.*

*It has been demonstrated that there are no inherent contradictions involved in the achievement of these several goals; rather, progress towards one can contribute to the achievement of the others. The complex and varied deficiencies which underlie the existing situation, however, dictate that a piecemeal, patchwork approach to the farm income problem must fall far short of any one of these objectives.*

*The recommendations which follow represent the Commission's judgment of the broad, comprehensive policy adjustments which must be pursued if the legitimate goals of farmers, consumers, and the economy as a whole are to be realized.*

## The General Economy

*Fundamental to every other consideration in improving the income situation of farmers is the maintenance of a vigorous and advancing national economy. The farm economy is inseparable from the whole, and the ills which are specific to agriculture cannot be cured if the total economy is permitted to falter. It is therefore recommended:*

1. That the public powers of the national government be used to direct the course of general economic development in Canada towards predetermined goals, with particular reference to:

(a) The achievement of uninterrupted general economic expansion.

(b) The achievement of balanced regional economies. This implies special attention to the development of diversified resources in under-industrialized areas, in depressed areas, and in areas which are over-dependent upon export markets.

(c) The achievement of balanced development among the various sectors of industry in accordance with the welfare of producers and the needs of consumers. This implies special attention to chronically depressed industries and to the control of monopolies. With respect to agriculture it implies policies which will ensure a more efficient distribution and use of capital and labour resources necessary to technological progress.

2. That the policies of the national and provincial governments be directed towards greater equity in the distribution of income between individuals within agriculture, within non-agricultural groups, and between agriculture and the rest of the economy. Specifically, emphasis should be placed on extending general welfare measures which increase the incomes of low income groups, including a national health program, federal aid to education, and old age pensions, allowances, and direct aid to other special low income groups. Within its sphere, the provincial government should emphasize the extension of services to low income groups.

## Raising Farm Income Levels

*There are two main elements to any comprehensive program designed to raise the level of farm incomes. The first is concerned with the problem of increasing the consumption of farm products*

*and the second has to do with increasing the productive resources on a per farm and per worker basis.*

### **Increasing Demand for Farm Products**

*The amount of farm products consumed depends upon two major groups—the domestic population and the foreign consumer. The problem is one of increasing consumption of food per person in Canada and finding more consumers for our exports in foreign countries. It is recommended:*

3. That, primarily to raise nutritional levels but also to raise effective demand for farm products, a national food distribution program for low income groups be adopted; such program to be modelled after the Aiken Plan which has been proposed in the United States.

4. That research by provincial and federal governments into food consumption levels and standards be greatly extended to provide more reliable information on which to base measures affecting production and consumption of agricultural products and that steps be taken to ensure that consumer groups are given the information necessary to encourage greater quality consciousness among consumers generally.

5. That, in view of the facts that the most favourable market for Canadian food products is the domestic market, that Canada possesses a great untapped natural resource potential, and that the extensive transportation and communication system could support considerably more population, the federal government increase its efforts to encourage immigration into this country with the objective of maintaining the present annual flow; provided that emphasis is placed on persons with skills needed in our developing economy.

6. That Canada increase trade with non-dollar countries through negotiation of multilateral and bilateral trade agreements.

7. That Canada significantly increase its financial aid to underdeveloped countries to facilitate economic and social developments, and that Canada support efforts of the Food and Agriculture Organization of the United Nations to devise techniques for using surplus food stocks as a direct means of providing additional capital for economic development in underdeveloped countries.

8. That Canada take a more active role in urging the adoption of the F.A.O. proposal for a world food program to assist in (a) raising nutritional levels, (b) relieving famine, (c) counteracting excessive price fluctuations, and (d) promoting rational disposal of intermittent agricultural surpluses.

9. That Canada seek continued progress towards the development of permanent international trade and monetary agencies within the United Nations.



## **Increasing and Redistributing Productive Resources Within Agriculture**

*Opportunities for public policy to contribute to a higher level of productivity per farmer cover a number of policy fields including agricultural credit, rural education, and land tenure. A number of recommendations included in this section, therefore, are restated from other Commission reports. It is recommended:*

10. That all policies and programs designed to improve the circumstances of agriculture and rural life in Saskatchewan be developed in terms of their potential contributions to the realization of family farms, and that family farms be defined as those farms on which the farm operator makes all or most of the managerial decisions, the farmer and members of his family supply most of the labour needed, available farm resources are sufficient to provide the family with an adequate standard of living, and tenure is reasonably secure for the operator and his family.

### **Credit**

11. That the Government of Canada be urged to undertake the development of an integrated national farm credit policy and program, one significant part of which would provide a source of credit to farmers now on uneconomic units (whether owners, tenants, or owner-tenants), to beginning farmers, and to formally organized partnerships and co-operatives.

### **Tenure**

12. That, in view of the growing demand for parcels of land available to rent by farmers striving to establish economic units, and in view of the extensive acreage of submarginal lands which could be placed to more intensive uses, the provincial government substantially increase its use of powers granted under the Land Utilization Act to purchase, take on lease, exchange, or otherwise acquire submarginal lands; that, in the reallocation of such lands, primary emphasis be placed on the establishment of economic family farm units; and that, to achieve more intensive land use for livestock production, regrassing and necessary brush clearing be encouraged through greater emphasis upon rental adjustments and other forms of assistance.

13. That, in view of the pronounced tendency for rental to be combined with ownership in obtaining the land resources needed for family sized farms, the contribution of equitable landlord-tenant relations to tenure security, and the responsibility of democratic government to provide an environment which enables individuals to make progress towards the realization of the family farm goal, special consideration be given to the need for improvements in legislation affecting rental agreements, including statutory regulations concerning:

(a) The use of written contracts governing landlord-tenant relations in farming to ensure greater security in leasing arrangements;

(b) Tenancy agreements specifying term of lease to encourage long-term planning of farm production, and providing for automatic renewal of contracts;

(c) Compensation for unexhausted or removable improvements effected by the tenant;

(d) Provision for termination procedures;

(e) Compensation for undue disturbance by tenant or landlord in the event of cancellation of leasing arrangements;

(f) Provision for joint tenancy agreements with the right of survivorship.

### Alternative Employment Opportunities

*Since earlier analysis has clearly shown that there is a surplus of population in agriculture, that the successful application of corrective programs cannot result in all this surplus labour being gainfully employed in agriculture, and that as new technology is applied to agriculture, further transfers of population out of farming can be anticipated, it is recommended:*

14. That, in view of the fact that new employment opportunities in the non-agricultural sector of the provincial economy must increase substantially if we are to retain the natural increase in population and surplus farm workers, the provincial government continue its present emphasis on industrial development and on development of the basic power resources of Saskatchewan in order to provide alternative employment opportunities.

15. That, to ensure the adequate preparation of rural youth for urban occupations, every effort be made to extend the development of composite schools and to establish a technical institute in Saskatchewan as recommended in the Commission's report on *Rural Education*.

16. That, in view of the need to facilitate the flow of labour from farm to urban centers and from one urban area to another as a means of ensuring the most productive employment of available labour resources, the National Employment Service be expanded to provide for:

(a) More widespread dissemination of job information through the use of local newspapers, farm magazines, local radio stations and all post offices;

(b) A more comprehensive system of job counselling to determine the qualifications, aptitudes, and desires of applicants;

(c) Extension of unemployment insurance benefits to all workers who desire to take technical training courses during slack employment periods; and

(d) A system of relocation credits or grants to ease the financial burden faced by a worker who can secure more productive employment in a different locality.

### Land Development\*

*In the past, public land development in Canada has been undertaken with inadequate prior investigation and planning, with wide variation in cost sharing between various governmental authorities on the different kinds and sizes of land development projects, and under a complexity of administrative bodies. This has resulted in disorderly development and a strong tendency to try to meet specific problems after they arise. The Commission, therefore, recommends the following general framework for agricultural resource development and for revision of administrative and financial responsibility for specific kinds of development projects:*

17. That, in view of the contribution to be made to the national welfare by integrated land and water development, the Prairie Farm Rehabilitation Administration be transformed into a National Land and Water Board whose function it will be to:

(a) Undertake national land and water use surveys based on economic, social, and physical criteria;

(b) Plan, in conjunction with the provinces, a national soil conservation program to be recommended for individual farms;

(c) Develop a workable procedure for development of inter-provincial resources;

(d) Develop an adequate, standard working relationship with provinces;

(e) Plan project development; and

(f) Construct projects or parts of projects.

18. That the framework for government activity in the general field of agricultural resource development include:

(1) *Initial Investigation for Future Development.* The opening of all projects for development and settlement should be preceded by detailed investigations of feasibility, and projects should be undertaken only upon favourable consideration of the governments involved. The initial investigation should include:

(a) Complete surveys of soil, topography, and hydrology;

(b) Comprehensive analysis of all development and administrative costs, including community services and farm improvement; and

(c) Comprehensive analysis of the sum of benefits anticipated from the development of the project, comparison with the

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\* The recommendations to follow are final recommendations on questions raised in the Commission's Interim Report on *Crown Land Settlement in Northeastern Saskatchewan*.



costs involved, and comparison with net benefits anticipated from possible alternative investments.

(2) *Planning.* The opening of all projects should be preceded by the preparation of a detailed development plan which should set forth:

- (a) An estimate of the costs and benefits and evaluation of the use of resources involved in the development process;
- (b) A detailed plan of the settlement patterns;
- (c) The stages in the development of the project;
- (d) The sharing of costs between governments;
- (e) The agency responsible for each operation in each stage;
- (f) The cost of each operation;
- (g) An indication of the appropriate time and the agencies responsible for providing such services as housing, health, education, electrification, telephones, recreation and commercial services, and the method and cost of making each available; and
- (h) Means of communicating the plan to the related agencies.

(3) *Administration for Development.* Responsibility for development should be delegated to a *single authority* (in the case of joint federal-provincial development a joint project development board would assume this authority) which shall:

- (a) Maintain a comprehensive and co-ordinated approach to, and organization for, research and planning;
- (b) Exercise centralized responsibility at all levels with clearly defined and localized lines of responsibility;
- (c) Achieve effective public involvement in the functions of administration; and
- (d) Clearly define and co-ordinate responsibilities of related agencies.

(4) *Public Relations and Community Organization.* Every effort should be made to encourage the development of community organization or organizations of settlers on each project, to provide for:

- (a) Rapid communication of policy; and
- (b) Early acceptance by the settler of responsibility for direction of improvement programs.

19. That the provincial government accept a greater share of the administrative and financial responsibility on moderate sized irrigation projects in the province so that the Province:

- (a) Would have administrative and land-use control for a minimum of 10 years,

(b) Would assume the cost of initial development of 25 per cent of each member's irrigable acreage up to a maximum of 40 acres,

(c) Would assume the full cost of maintenance and operation during the first 3 years of operation of a project and a diminishing share of these costs over the following 7 years at which time the local organizations would assume full responsibility for the project, and

(d) Would have the power to regain control and responsibility if the local organization fails to maintain the secondary works adequately and the power to assess these costs against the affected lands.

**20.** That, in view of the serious nature of drainage problems in many agricultural areas in Canada and the inability of provincial and local authorities to finance construction, maintenance and operation of such projects, a reallocation of responsibilities for drainage among federal, provincial, and local authorities be arranged and that such reallocation take the following form:

(a) Federal responsibility: The Prairie Farm Rehabilitation Administration be responsible for the construction and maintenance of main canals and dykes on drainage projects and for improvement of natural drainage channels through stream clearance and diversion and assess against the members of the local organization an annual fee to cover maintenance and operating costs of the main canals and dykes.

(b) Provincial responsibility: The Conservation and Development Branch of the Saskatchewan Department of Agriculture be responsible for the construction of secondary or feeder canals and other drainage works on individual land parcels and share the maintenance and operating costs of such works with local authorities on a diminishing scale for five years.

(c) Local responsibility: Local organizations be responsible for the maintenance and operating costs of these works with the understanding that inadequate maintenance of works would result in renewed provincial control with the power to assess the cost against the affected lands.

**21.** That, in view of the fact that the federal government through non-payment of local property taxes on lands in P.F.R.A. community pastures constructed prior to 1944 in effect forces local ratepayers who do not use these pastures to subsidize those who do use them, the federal government pay grants in lieu of taxes on this property to local authorities and that the increased cost of pasture services be recovered through higher fees for pasture patrons.

**22.** That the provincial government undertake the immediate clearing and breaking of a minimum of 100 acres on all cultivation leases on Crown land previously allocated and that the present policy of cash prepayment of clearing and breaking costs be extended to all

settlers on Crown land for a specified annual acreage of clearing and breaking at actual cost, the amount of such acreage to be based on:

(a) The number of acres which the settler can properly prepare in any one year,

(b) Approval of the proposed development by the Department as potentially suitable for cultivation, and

(c) The size of the annual financial commitment the government can reasonably assume. In any case, the minimum should be 20 acres per year.

23. That, in view of the limited acreages of unsettled and irrigable lands and the substantial public investment involved in clearing and breaking and in developing land for irrigation, the lands in these projects be publicly owned and made available on long-term leases to ensure equitable access to limited resources, to shorten the period of development, to prevent speculation, and to encourage proper land use.

24. That, in view of the contribution that the South Saskatchewan River irrigation and power project will make towards (a) stabilizing agricultural production in an area which has featured high farm income variability, (b) correcting long standing land settlement deficiencies, (c) achieving balance among regional economies, (d) providing a base for increased livestock production needed for an expanding Canadian population, (e) increasing Saskatchewan's electric power potential and its industrial potential generally, and (f) providing immeasurable social benefits, this multipurpose project be proceeded with immediately, based on the following provisions:

(1) *Financial*

(a) The federal government to be financially responsible for:

(i) All dams, reservoirs and appurtenant works, and

(ii) Complete development of certain irrigation blocks set aside for resettlement of "drought area" farmers;

(b) The federal government to agree to take treasury bills of the Province of Saskatchewan to facilitate the early participation of the Province in construction of the power and irrigation facilities;

(c) The provincial government to be financially responsible for:

(i) Direct power costs plus an annual contribution to the federal government towards the cost of main dam and reservoir (this contribution to be a portion of the savings arising from the power produced over the next cheapest alternative),

(ii) Development of irrigation systems apart from (a) (ii), and



## (iii) Development of recreational facilities.

*Note:* Implementation of (a), (b) and (c) would result in the estimated total cost of \$135 million being shared on the basis of: federal — \$85 million; provincial — \$50 million. If power surpluses are higher than anticipated, the provincial contribution might be somewhat greater.

(d) Individuals to be financially responsible for:

(i) Developing farm units (within the context of previous recommendations),

(ii) Paying fees for the use of water (domestic, irrigation, and industrial), proceeds from these charges to be shared by the federal and provincial governments.

(2) *Administration*

(a) The creation of a joint Federal-Provincial Development Board to:

(i) Maintain continuous liaison with respective governments and their agencies,

(ii) Correlate all engineering planning and information for the timing of construction work,

(iii) Review and recommend plans, and

(iv) Deal with other joint problems;

(b) The federal government to administer the operation and maintenance of dams, reservoirs, and appurtenant works;

(c) The provincial government to have general administration of all power, recreation, and irrigation aspects; and

(d) Local organizations of water users to administer individual irrigation areas.

**Research and Technology**

25. That, in view of the clearly defined contribution of technology to farm productivity, the fact that gains in efficiency are quickly reflected in lower prices or better quality food products to consumers, and the fact that expenditures on such research and extension return benefits to the general public greatly in excess of returns on normal business investment, the federal government be urged to expand its financial contributions to research in farm technology both in terms of greater direct federal research and more financial assistance to universities.

26. That, in view of the fact that modern farming and the economic and social problems associated with it require more emphasis on research in the economic and social problems of agriculture, the federal government enact legislation to provide:

(a) That a nominal deduction be made on all agricultural marketings, the proceeds of which shall be devoted exclusively to research in economic and social problems of present day agriculture,

(b) That an amount equal to the tax collected under (a) be added to the fund from the general tax revenues of the national government; and

(c) That an Agricultural Social and Economic Research Board be established to allocate these funds to appropriate research centers in universities and elsewhere and that this board include representatives of farm organizations.

## Stabilizing Farm Income

*Stability in agriculture is not only vital to the welfare of farmers; it has important implications as well for the stability of the economy as a whole. The problem of instability is many-sided, and progress towards stabilizing farm income demands a comprehensive attack at several points in the economy. In large part, applicable policies in this field have been recommended previously in other reports of the Commission, particularly in Agricultural Markets and Prices and in Crop Insurance. Their fundamental relationship to the overall problem of farm income, however, warrants their restatement here. It is therefore recommended:*

27. That federal and provincial governments, within the limits of their respective fiscal capabilities, adopt and enunciate a firm policy of using public funds and monetary programs to maintain stability in the nation's economic activity.

28. That an experimental crop insurance program be launched in representative areas of the three prairie provinces as a program complementary to, but separate from, the present Prairie Farm Assistance Act program.

29. That, in view of the variable nature of farm production in some parts of Canada due to unavoidable hazards and its effect on farm income, any national farm credit program include provision for:

(a) Annual repayments which vary with production; and

(b) Short-term emergency credit to meet production and living costs in a period of unavoidable loss of income from farming operations.

30. That, in view of the fact that agricultural producers cannot maximize their incomes because of the presence of price uncertainty, systems of forward prices for all of the principal agricultural products, based on annual estimates of demand-supply

conditions, be instituted by the federal government to provide producers with the price information necessary to use their resources most efficiently.\*

31. That forward prices constitute the level at which the Agricultural Prices Support Board shall support the prices of farm products, with provision for deficiency payments to producers when the average yearly price for any supported product falls below the forward price.\*

32. That for use in conjunction with the forward price program and for purposes of stabilizing supplies on the market, provision be made for storage programs under public control which are adapted to the requirements of the several commodities.

33. That, in the event of a general recession of farm prices, the main concern of public policy be to maintain farm income through a system of price supports based on the following requirements:

(a) They should be based on parity of farm prices and costs;

(b) They should apply to all farm products;

(c) They should protect the income of individual producers up to a reasonable level;

(d) They should be based on a period of full employment and normal trade;

(e) They should provide for deficiency payments based on the difference between the support price and market price with payments directly from the national treasury;

(f) They should become operative near the beginning of a price recession;

(g) They should be at a sufficiently high level (i) to prevent loss by producers, and (ii) to prevent repercussions of the decline in farm income from seriously affecting the rest of the economy. At the same time, consumers should be made fully aware of the relationship between the price the farmer receives for his produce and the price the consumer pays.\*

## The Individual Farmer

*The ability of the individual or small groups of farmers in their management roles is a determinant of farm income levels and stability. As a result, programs are required which assist farmers to do a better job of utilizing the available resources on their farms. The Commission recommends:*

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\* Commissioner Phelps dissents from the recommendations on prices (Recommendations 30, 31 and 33). The minority report is published with Report 13.



## Farm Management

34. That present farm management training and extension services be expanded in the following ways:

(a) The Farm Management Department of the University of Saskatchewan be given adequate staff to allow for more research into typical management problems on Saskatchewan farms; and

(b) The Agricultural Representative Service establish training courses for their field staff in farm management extension.

## Co-operative Farming

35. That, in view of the unquestioned advantages of co-operative farming in the economic sphere in terms of better use of labour through specialization and the more economical use of machinery through application to a larger acreage, and in view of the fact that persistent problems in social organization of co-operative farms have inhibited their development, the social problems of production co-operatives be attacked more vigorously through the following:

(a) Placing greater emphasis on the social goals of co-operative farming in extension, formal education, and adult education activities;

(b) Making wider use of workshops in group management and co-operative social organization similar to those organized by the Department of Co-operation and Co-operative Development in recent years;

(c) Placing greater stress on the problems and needs of co-operative farms on the part of other co-operative organizations; and

(d) Undertaking more extensive research in the social aspects of production co-operatives.

36. That, in view of the present underutilization of farm machinery on many of the farms in this province, wider publicity be given to the savings possible through co-operative use of individual farm machines or complete lines of machinery, and that continued study be made of simplified contractual agreements for the joint use of machinery.

37. That, in view of the advantages that production and machinery co-operatives offer in the economic field and the present discrimination against such co-operatives in obtaining credit, the federal government:

(a) Amend the Farm Improvement Loans Act so that credit for machinery purchase by a production or machinery co-operative is available to the extent permitted by the combined assets of such groups rather than the assets of individual members; and

(b) Direct the Canadian Farm Loan Board to extend mortgage credit to production co-operatives to the extent permitted by the combined assets of the co-operative rather than the assets of individual members.

### **Agricultural Extension**

38. That, in view of the increasing importance of farm management skills in modern commercial farming and in view of the growing need for farmers generally to understand and influence matters of broad public policy as they affect agriculture, these aspects immediately receive a greatly expanded emphasis in the extension programs of the Agricultural Representative Service.

39. That the number of agricultural representatives in each agricultural representative district be increased, with special attention to the provision of personnel with training in farm management.

40. That the more extensive use of formal father-son partnership agreements be encouraged through greater use of project and partnership agreements under the guidance of 4-H and Older Farm Youth Clubs.

41. That, in view of the need for greater local participation in extension activities and the need for simplicity and unity in local organization, the formation and development of new voluntary extension associations be encouraged in each agricultural representative district; that the Agricultural Representative Service seek the active support of farm organizations in developing extension associations; and that these district associations replace agricultural committees, district boards, and agricultural societies as the primary means of organizing local participation in extension activities.

42. That the agricultural extension services of the University of Saskatchewan be redefined to:

(a) Transfer 4-H clubs and agricultural societies to the Agricultural Representative Service and vocational agriculture responsibilities to the School of Agriculture, retaining, if necessary, any essential non-technical function in a program division of the new unit.

(b) Establish an effective training center for professional extension personnel;

(c) Initiate and develop new experimental approaches to meet present day needs in agricultural extension;

(d) Develop methods whereby the specialized resources of the College of Agriculture can be applied more effectively to the needs of farm and home, with specific attention to the appointment of a subject-matter specialist to each major research department of

the college, such specialist to be responsible for synthesizing research information, identifying areas in which research is needed, and providing consultation to extension personnel; and

(e) Work in close collaboration with social science specialists in mastering agricultural extension as a field of knowledge.

43. That with the establishment of a county or modified county system throughout Saskatchewan, consideration be given to the transfer of primary responsibility for extension education (including the employment of field staff) to the counties with arrangements for an appropriate sharing of financial costs between local and provincial governments and to the passage of legislation to maintain high standards in salary and working conditions.

44. That, upon their transfer to the counties, the agricultural extension field services be broadened to include the expanded Home Extension Service recommended on an experimental basis by this Commission in its report on *The Home and Family in Rural Saskatchewan*.

45. That the function of the Provincial Advisory Council be broadened by attaching it to the Co-operative Extension System as a whole rather than to the Agricultural Representative Service alone, and that consideration then be given to revising its structure to provide more effective representation, particularly from farm organizations, and improved communication among the co-operating members, with specific attention to the advisability of appointing standing committees for each major problem area and the advisability of employing a full-time executive director.

46. That the Government of Saskatchewan call a conference of representatives from extension agencies, farm organizations, and other interested groups to consider these recommendations.

## 14. A PROGRAM OF IMPROVEMENT

1. In the fall of 1957 a conference be held of all voluntary organizations interested in rural development, provincial and local governments, and university representatives to consider the reports of this Commission. The conference might:

(a) Utilize Commission reports as a basis of considering ways and means of ensuring adequate rural development;

(b) Initiate and plan a widespread community forum process for the purpose of studying Commission reports and rural problems in general;

(c) Develop a permanent agency or council concerned with rural problems.



2. A Center for Community Studies be established at the University of Saskatchewan, jointly sponsored by the University and the Government of Saskatchewan and directed by an independent board.

The functions of the Center would include:

(a) Development of effective techniques for community improvement through applied social research;

(b) Provision of technical consultants to assist communities in self-development;

(c) Creation of opportunities for the training of professional personnel.

3. The immediate establishment of a department of social science at the University whose studies and teaching are closely correlated with the work of the proposed Center for Community Studies.

4. Economic and social research, information, and planning facilities in the provincial government be strengthened by:

(a) Establishing a Bureau or Department of Economic and Social Development;

(b) Expanding generally the research facilities in each department to facilitate development of policy, planning programs, and evaluation;

(c) Expansion of the services provided by the Community Planning Branch.

5. Voluntary organizations make every effort to develop their own research facilities either individually or through pooling resources among organizations with kindred interests.

6. Local government be reorganized in accord with the Commission's earlier recommendations.

**ERRATA**

(Corrections to be made in Reports 1 to 12)

**REPORT 2. MECHANIZATION AND FARM COSTS**

*Appendix II, Table 10, p. 141:* In part 1, Total Farm Investment, figures given are in thousands of dollars.

**REPORT 3. AGRICULTURAL CREDIT**

*Appendix VI, pp. 122 to 125:* Second last column should read 1938-1952.

**REPORT 4. RURAL ROADS AND LOCAL GOVERNMENT**

*Figure 41, p. 131:* The second row of illustrations should be reversed. The one under the title "Existing Road Network" should appear under the title "After Relocation" and vice versa.

*P. 159, second column:* The sentence beginning, "And then in 1952," on the 18th line, describes a program "financed by the Federal and Provincial Governments." The payment of pensions for those 70 and over, regardless of need, is currently a federal program.

*Figure 57, p. 196:* This figure indicates that the Local Government Board is under the direction of the Minister of Municipal Affairs. Actually the responsible Minister is the Attorney General and the annual reports of the Board are transmitted direct to the President of the Executive Council.

**REPORT 8. AGRICULTURAL MARKETS AND PRICES**

*Table 18, page 116:* In the column "Barley—Prairie Production" for 1950-54, change 1,990 to 1,090.

*P. 154, line 10:* Change "Wheat" to "Meat" (Canadian Meat Board).

*P. 210, Conclusion 32, para. 2, line 4:* Delete this line ("producer responses to changed").

**REPORT 10. THE HOME AND FAMILY IN RURAL SASKATCHEWAN**

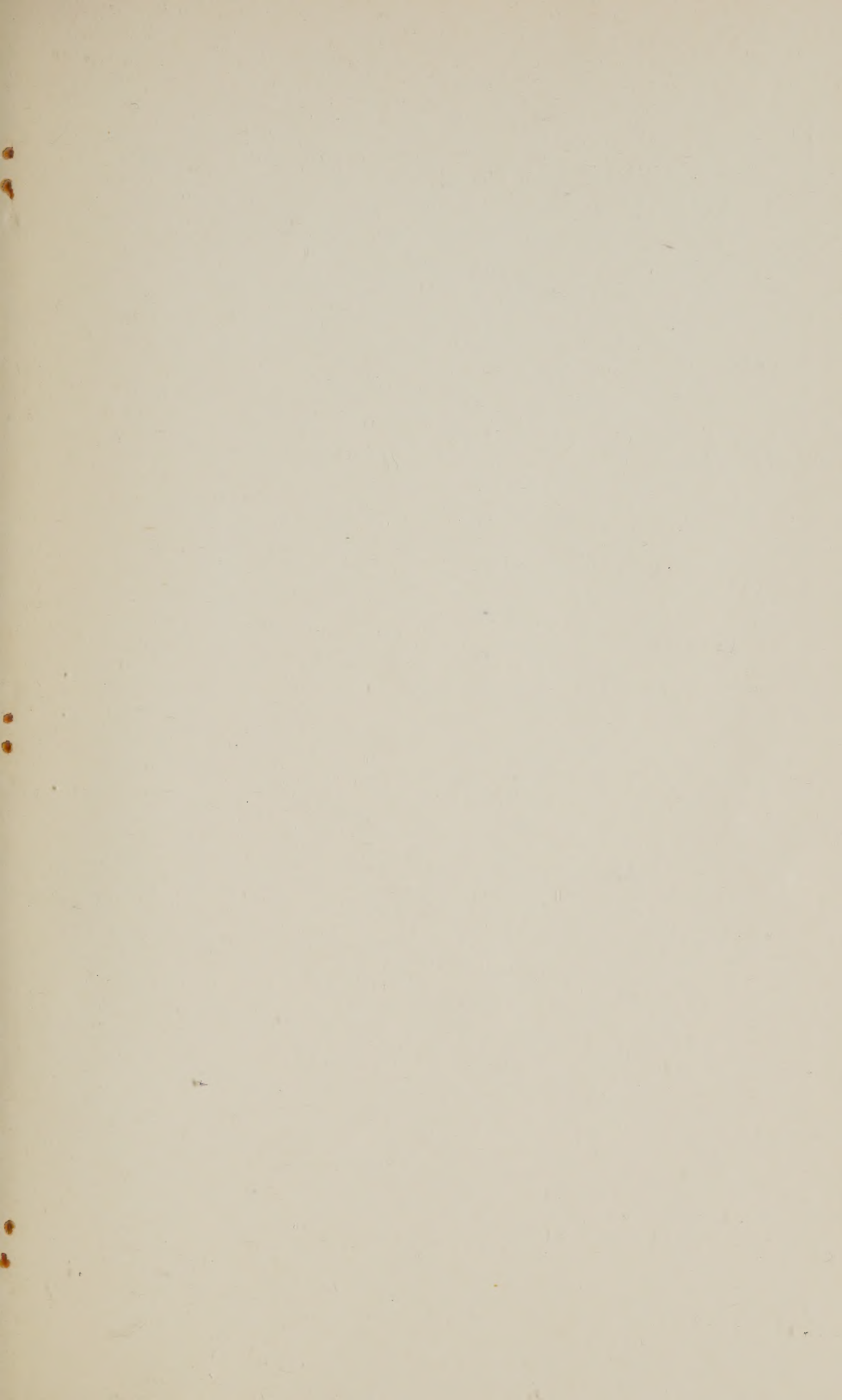
*Letter of Transmittal, p. vii:* Change date of letter from September 26 to September 21, 1956.

**REPORT 12. SERVICE CENTERS**

*Footnote 5, p. 100:* Delete the words "Ibid., p. 83." The table constitutes the complete footnote.







*This is the final report in a series of fourteen presented by the Royal Commission on Agriculture and Rural Life to the Government of Saskatchewan. The full list of official reports follows:*

1. THE SCOPE AND CHARACTER OF THE INVESTIGATION
2. MECHANIZATION AND FARM COSTS
3. AGRICULTURAL CREDIT
4. RURAL ROADS AND LOCAL GOVERNMENT
5. LAND TENURE: RIGHTS AND RESPONSIBILITIES IN LAND USE IN SASKATCHEWAN
6. RURAL EDUCATION
7. MOVEMENT OF FARM PEOPLE
8. AGRICULTURAL MARKETS AND PRICES
9. CROP INSURANCE
10. THE HOME AND FAMILY IN RURAL SASKATCHEWAN
11. FARM ELECTRIFICATION
12. SERVICE CENTERS
13. FARM INCOME
14. A PROGRAM OF IMPROVEMENT FOR SASKATCHEWAN AGRICULTURE AND RURAL LIFE  
(This will include consideration of other problems of the rural community, previously listed as report 14.)

**These reports may be obtained from the Queen's Printer, Regina, Saskatchewan.**

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NOTE: A pamphlet containing the Commission's conclusions and recommendations is available free of charge for reports 2 to 13 inclusive.